Daily Report

Central Eurasia

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FBIS-SOV-95-165 *25 August 1995*

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Negotiations in Groznyy

Yarikhanov Says Dialogue Could Be Abandoned

LD2508103795 Moscow ITAR-TASS in English 1023 GMT 25 Aug 95

[By Sharip Asuyev, Mikhail Shevtsov]

[FBIS Transcribed Text] GROZNYY, August 25 (ITAR-TASS) — Top Chechen negotiator Kodzh-Akhmed Yarikhanov on Friday accused the Russian side of impeding peace process and warned that in case of further delay in talks separatists would hold their own national elections.

Yarikhanov told ITAR-TASS that every day he contacts Moscow by telephone but fails to receive a concrete answer about a fixed date for the resumption of political consultations.

"The Russian delegation delays political negotiations linking them with the implementation of the package of military issues. Meanwhile, forces in opposition to Dzhokhar Dudayev such as the Committee of National Accord and the Government of National Revival, boost their preparation for elections scheduled for November 5", Yarikhanov said, adding that "such actions (of the Russian side) willy-nilly widen the split in the Chechen society".

"There is a possibility that we will have to refuse from the resumption of a political dialogue and hold our own elections on October 27, as it had been scheduled before", the top Chechen negotiator said.

According to him, Chechens have documents stipulating the election procedure and the Central electoral commission of their own.

"For the sake of peace in Chechnya we are looking for a compromise, but we are deliberately incited to unilateral actions", Yarikhanov said.

Reportage on Lobov's Possible Appointment as Emissary

Yeltsin Confirms Lobov as Representative

LD2508110495 Moscow ITAR-TASS World Service in Russian 1037 GMT 25 Aug 95

[By Andrey Shtorkh]

[FBIS Translated Text] Moscow, 25 Aug (ITAR-TASS) — President Boris Yeltsin today told ITAR-TASS that he had appointed Oleg Lobov his plenipotentiary representative in the Chechen Republic, having signed an edict to this effect.

Lobov keeps his position as secretary of the Security Council, which on 30 August will hold a sitting on the situation in Chechnya, said the president.

Committee Welcomes Lobov's Appointment

LD2508120695 Moscow INTERFAX in English 1028 GMT 25 Aug 95

[FBIS Transcribed Text] GROZNYY, Aug 25 (INTERFAX) — The chairman of the Chechen Accord Committee Umar Avturkhanov welcomes the appointment of Oleg Lobov as President Yeltsin's emissary in Chechnya.

Avturkhanov said there were "too many federal power structures in the Chechen republic" and that "someone must sit on top of them all" in a Thursday appearance on Groznyy television.

The appointment is timely but Chechnya wants "no governor," Avturkhanov said.

Avturkhanov is displeased with the realization of the military agreement between Moscow and the Chechen forces. The way it is going on, the disarmament of the Dudayev forces may take "five years or so," he said.

And, Avturkhanov doubts that municipal elections may be held now that too many people are carrying too many guns in the Chechen republic.

Presidential Press Service Denies Appointment

LD2508054695 Moscow Radiostantsiya Ekho Moskvy in Russian 0400 GMT 25 Aug 95

[FBIS Translated Text] The presidential press service denies reports of Oleg Lobov being appointed plenipotentiary representative of the head of state in Chechnya. Meanwhile, news of Lobov's appointment was reported by the leader of the Republican Party Vladimir Lysenko, who said the Russian president himself told him about this.

Chechens Prefer Shaposhnikov to Lobov

LD2508115295 Moscow INTERFAX in English 1028 GMT 25 Aug 95

[FBIS Transcribed Text] GROZNYY, Aug 25 (INTERFAX) — "A person of more peaceful profession and with better knowledge of the Caucasus than Secretary of the Russian Security Council Oleg Lobov" would be the best person to be the Russian Presidential Representative in Chechnya, head of the Chechen delegation to Groznyy talks Khozh-Akhmed Yarikhanov told an exclusive INTERFAX interview Friday.

In his words, the best candidate to this post is ex-Soviet Defense Minister Marshal Yevgeniy Shaposhnikov.

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"Although he is a military man, he is more civilian-minded," stressed Yarikhanov.

Speaking of the expediency of the Presidential Representative in Chechnya, he said "a certain coordinating force with a corresponding presidential mandate" is necessary for the implementation of the military agreement.

"This is even more important against the background of uncoordinated efforts taken by the federal power bodies and Russian troops in Chechnya, and the lack of coordination even between different arms of services. General Romanov (commander of the federal troops-IF) gives one order, the troops are doing something different," said Yarikhanov.

He reminded that the introduction of the post of Presidential Representative in Chechnya is ensured by the military agreement, and the candidate to this post is not liable for discussion with the Chechen side.

Security Council's 'Working Group' Leaves Moscow

LD2408131795 Moscow INTERFAX in English 1020 GMT 24 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 24 (INTERFAX) — A special working group under the Russian Security Council will leave Moscow for Groznyy today, the Russian president's spokesman Sergey Medvedev told INTERFAX.

The delegation is headed by Security Council Deputy Secretary Vladimir Rubanov.

Medvedev said the group had been instructed to see the situation in Chechnya first-hand within the scope of the preparations for the next meeting of the Russian Security Council. The group is to advance recommendations concerning legal settlement of the conflict and to propose a number of political and social-economic measures for overcoming the Chechen crisis as soon as possible.

The group includes members of the Security Council's interdepartmental commissions, officials from the Security Council's apparatus, high-ranking officials from the leading ministries and the Russian government's departments. Medvedev said that the group would work in Chechnya during several days and that Russian Security Council Secretary Oleg Lobov would lead the final phase of the group's activity in the Caucasian republic.

A well-informed source told INTERFAX that the Russian Security Council was likely to meet on Wednesday, August 30.

Security Council Group at Work in Groznyy

LD2508090595 Moscow ITAR-TASS in English 0821 GMT 25 Aug 95

[By Sharip Asuyev and Mikhail Shevtsov]

[FBIS Transcribed Text] GROZNYY, August 25 (ITAR-TASS) — A working expert group of the Russian Security Council which arrived in Chechnya on Thursday evening, got down to work on Friday.

A meeting started at the territorial administration of federal executive bodies in Chechnya at 09:15, where Deputy Secretary of the Security Council Vladimir Rubanov spelled out tasks of expert groups on political, social-economic, military, legal and information issues.

ITAR-TASS learnt today from sources at the Security Council working group that special attention will be given to implementation of the agreement on the package of military issues and the operation of federal bodies of executive power in Chechenya.

The meeting is also attended by Nikolay Semenov, head of the territorial administration of federal executive bodies in Chechnya.

It is planned that the working group which will be headed by Security Council Secretary Oleg Lobov who was also appointed Russian president's representative in Chechnya, is to prepare, by August 30, its findings and proposals on measures to overcome the crisis and improve the operation of federal executive bodies in Chechnya.

Disarmament Under Way in Four Chechen Regions

LD2408145895 Moscow INTERFAX in English 1325 GMT 24 Aug 95

[FBIS Transcribed Text] GROZNYY, Aug 24 (INTERFAX) — Working groups of the special supervision commission (SSC) started practical implementation of the agreement on the military package of issues in Chechnya's Vedensk, Achkhoy-Martan, Nozhay-Yurt, and Sunzhen regions Thursday, head of the press service of the command of the joint group of Russian forces in Chechnya, Vassiliy Panchenkov, reported to INTERFAX Thursday.

In his words, a protocol on the disarmament mechanism for illegal armed formations was signed in the course of the SSC sitting, attended by its co-chairmen, commander of the joint group of forces General Anatoliy Romanov and chief of staff of Chechen formations Aslan Maskhadov. "This document is an instruction and a guideline for the working groups," Panchenkov said.

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In addition, the parties passed a decision on creating regional special supervision commissions and coordinated lists of their composition.

Disarmament in the Achkhoy-Martan and Sunzhen regions is to be concluded before August 30 in line with the protocol signed by Romanov and Maskhadov.

Russian, Chechen Officials Leave for Achkhoy-Martan

LD2408132295 Moscow INTERFAX in English 1020 GMT 24 Aug 95

[FBIS Transcribed Text] GROZNYY, Aug 24 (INTERFAX) — First Deputy Commander of Russian troops in Chechnya, Major-General Pavel Maslov and the Dudayev government's interior minister, Kazbek Makhashev, overseeing the disarming of several Chechen areas, left Groznyy for the Achkhoy-Martan region this afternoon.

The federal troops joint group's staff told INTERFAX that Maslov and Makhashev would have to visit several populated areas in this region, including the regional center, and the Bamut and Orekhovo villages. Maslov and Makhashev will have to coordinate with local leaders the specific dates for arms to be handed over.

Earlier, the co-chairmen of the special observer commission, Commander of Russian Troops in Chechnya, General Anatoliy Romanov and the rebel's military commander Aslan Maskhadov, worked out a schedule for disarming residents of the Achkhoy-Martan and Sunzhen regions of Chechnya before August 30.

Maslov said that Romanov and Maskhadov were currently coordinating the mechanism for implementing the military agreement at today's meeting of the special observer commission.

Disarmament Discussed at Achkhoy-Martan Meeting

LD2408180095 Moscow Radiostantsiya Ekho Moskvy in Russian 1500 GMT 24 Aug 95

[FBIS Translated Text] Preparations for disarmament in Achkhoy-Martan are in full swing. The Ekho Moskvy correspondent managed to attend a closed meeting that was held at Border Post No. 24 in the vicinity of the village of Orekhovo in Achkhoy-Martan.

[Correspondent Anatoliy Adamchuk] Pavel Maslov, deputy commander of the Joint Group of Federal Troops, and Kazbek Makhashev, the interior minister in Dudayev's government, took part in the meeting. It drew up a list of over 15 villages, where disarmament will take place in the near future, and a list of the federal subunits preparing for withdrawal.

In an interview with the Ekho Moskvy correspondent, the two commanders expressed surprise at the unanimous agreement to resolve all issues by peaceful means. A plan of specific disarmament steps has been drawn up. Kazbek Makhashev will tomorrow travel around the villages of Achkhoy-Martan and conclude a number of disarmament accords with field commanders, while Major General Pavel Maslov will discuss the prospect for the troop withdrawals with the commanders of federal subunits.

An agreement was also reached on the previously controversial issue of when the withdrawal of troops should begin. Should it begin after the handover of the first weapon, the first 10 weapons, or the first 110 weapons? The commanders agreed that the disarmament will take place over several weeks. Throughout this same period the columns of armored vehicles and infantry will be withdrawn in turn.

Anatoliy Adamchuk, Ekho Moskvy, Achkhoy-Martan.

Russian, Chechen Commanders Set Disarmament Terms

LD2508091995 Moscow ITAR-TASS in English 0904 GMT 25 Aug 95

[By Sharip Asuyev, Mikhail Shevtsov]

[FBIS Transcribed Text] GROZNYY, August 25 (ITAR-TASS) — Russian and Chechen commanders have set scheduled terms for the disarmament of illegal formations in the Chechen regions of Ackhoy-Martan and Sunhzen.

During their Friday's meeting generals Anatoliy Romanov and Aslan Maskhadov suggested that the scheduled dates will be August 30 for Achkhoy-Martan, and September 10 for Sunzhen region.

Vasiliy Panchenkov, head of the press service of federal troops in Chechnya, told ITAR-TASS that "the deadline has been determined strictly for those responsible (for the implementation of the military accord), while the population should not fear that as soon as the afore-said terms expire, Russian troops might resort to force".

Panchenkov said that Romanov and Maskhadov are planning to leave today for one of Chechnya's regions.

Romanov: Observer Commission Performing Routine Job

LD2508141095 Moscow ITAR-TASS in English 1340 GMT 25 Aug 95

[By Sharip Asuyev and Mikhail Shevtsov]

[FBIS Transcribed Text] GROZNtY, August 25 (ITAR-TASS) — Lieutenant-General Anatoliy Romanov, com-

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mander of federal troops in Chechnya, has commented on today's session of the observer commission in Chechnya.

He said the commission had been doing a routine job discussing the implementation of an agreement on military issues. The general pointed out that concrete measures were being planned, the deadline is being set for these measures to take effect and officials are being appointed responsible for the implementation of these plans.

An exchange of prisoners of war is a problem of priority importance, Romanov said. He said that soldiers' mothers had brought a list of 61 Russian prisoners of war who remain in captivity, indicating their whereabouts. At present, the observer commission is verifying these facts, Romanov said.

He warned that in future, information about the commission's work would be provided by the two co-chairmen of the commission only, Aslan Maskhadov and Romanov himself.

Moscow 'Dissatisfied' With Pace of Disarmament

LD2408135795 Moscow INTERFAX in English 1020 GMT 24 Aug 95

[FBIS Transcribed Text] GROZNYY, Aug 24 (INTERFAX) — Russia is dissatisfied with the pace of the disarmament of illegal armed formations in Chechnya.

A representative of the command of the joint group of federal troops in Chechnya told INTERFAX today that 221 items of various arms had been handed over since the disarmament of Chechen militants and residents began 20 days ago. Military sources say Chechen residents are keeping 60,000 items of arms as well as armored equipment.

Military officials said they believed that the disarmament ought to intensify after the conflicting parties had worked out a precise mechanism and a schedule for implementing the military agreement within the scope of the special observer commission's meeting Wednesday.

In particular, the schedule provides for disarming illegal armed formations in Chechnya's Achkhoy-Martan and Sunzhen regions by August 30 and withdrawing federal troops from these areas. The pullout of Chechen militants' armored equipment and heavy arms (tanks, armored personnel carriers, Grad multiple rocket launchers) from Chechen mountainous areas must be completed before September 10. Along with the arms pullout, Russian military units will be moved to the places, where they are permanently deployed.

Republican Party Leader Terms Disarmament 'Unreal'

MK2408114695 Moscow SEGODNYA in Russian 24 Aug 95 p 2

[Report by Petr Zhuravlev: "Vladimir Lysenko Has Found Chechnya Residents To Be Weary of War. They Are, However, No Less Averse to Federal Troops and Authorities Than Before"]

[FBIS Translated Text] Vladimir Lysenko, a State Duma deputy and leader of the Republican Party, upon his return from a trip to the Northern Caucasus, said at a press conference yesterday [23 August] that the prevailing mood of most Chechnya residents is one of distrust and bitterness toward the federal troops and authorities on the one hand, and weariness of war on the other. In Mr. Lysenko's assessment, it is difficult to predict thus far which of the two will ultimately win. Nearly all residents of the Chechen Republic are hailing the recently signed agreement on military issues, although it has brought about "diarchy."

Mr. Lysenko said that Dzhokhar Dudayev and 4,000-5,000 militants loyal to him currently exercise control over approximately 15 percent of Chechnya's territory. According to the deputy, the immediate disarmament of the illegal armed formations is "unreal," so that now there can only be a question of "surrendering heavy arms, the possible disbandment of the militants' formations, and the handover of spare small arms on a redemption basis." "No withdrawal of federal troops is being effected thus far," the Republicans' leader stated, whereas General Romanov, commander of the federal forces' group, acknowledged that among servicemen, there is a certain percentage of scoundrels involved in looting and violence. "A shrewd and flexible personality must be appointed as the president's spokesman in Chechnya," he believes, "perhaps Arkadiy Volskiy, Vyacheslav Mikhaylov, or General Shatalin."

Among the first and foremost steps, in his opinion, to be taken by the federal authorities, Vladimir Lysenko mentioned the correction of social policy, gaining control over the budget allocations channeled into the republic (the system of their distribution being "ineffective"), and providing the population with reliable and updated information (possibly through an "all-Chechen" bilingual paper.)

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Kulikov: Chechen Groups Hold 50-60 Russians Captive

LD2408150795 Moscow INTERFAX in English 1325 GMT 24 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 24 (INTERFAX) — Illegal armed formations in Chechnya are currently holding about 50-60 Russian servicemen captive, Russia's Interior Minister Anatoliy Kulikov told INTERFAX in Moscow Thursday.

"However, it is difficult to name the precise figure," he said.

According to Kulikov, despite the difficulties in the issue of liberating prisoners of war by both parties, it was possible to achieve the liberation of four servicemen from the federal forces, two soldiers and two officers.

As Kulikov said, liberation of servicemen held by Dudayev's fighters is one of the provisions for continuing negotiations on a peace settlement in Chechnya, namely, on the package of political issues.

Romanov Criticizes OSCE's Inconsistency on Argun

LD2408140395 Moscow INTERFAX in English 1020 GMT 24 Aug 95

[FBIS Transcribed Text] GROZNYY, Aug 24 (INTERFAX) — Commander of the joint group of federal troops in Chechnya, Lieutenant General Anatoliy Romanov said he was dissatisfied with the stand of the OSCE [Organization for Security and Cooperation in Europe] mission to Groznyy regarding the events in Argun, where Dudayev militants seized the local law enforcement department on Sunday evening.

Sources close to Russian negotiators for talks with Chechnya told INTERFAX today that Romanov had accused Sandor Meszaros, the OSCE mission's head, of inconsistent moves. Romanov said Meszaros had initially approved the Russian command's intention to use force in Argun. However, later, at a meeting between the conflicting parties' representatives, experts of the Council of Europe and Russian parliamentarians Meszaros in fact backed the Dudayev delegation, Romanov said.

"I am extremely bewildered with your stand," Romanov told Meszaros after the meeting, according to the same sources.

Romanov advised Meszaros to state his attitude towards this or that event more clearly in the future.

The same sources said the OSCE diplomat had in fact failed to say something in response.

Military Operations

More Security in Gudermes To Prevent Another Argun

LD2508120395 Moscow INTERFAX in English 1028 GMT 25 Aug 95

[FBIS Transcribed Text] GROZNYY, Aug 25 (INTERFAX) — The federal troops have set up stronger checkpoints and roadblocks in Gudermes, Chechnya's second largest town, in order to prevent a replay of the Argun incident, a spokesman for the Russian command told INTERFAX Friday morning.

He said that a psychological warfare unit has moved into the Gudermes area the day before. Its radio station has transmitted a radio program on a public address system about [sentence incomplete as received].

Separatist fighters took over the local police station in Argun last week. The military authorities say that 60 to 80 fighters were killed in a military operation to oust them with federal troops losing one man killed and 12 injured.

Armed Group Takes Over Building in Gudermes

LD2508120895 Moscow ITAR-TASS World Service in Russian 1128 GMT 25 Aug 95

[By Sharip Asuyev and Mikhail Shevtsov]

[FBIS Translated Text] Groznyy, 25 Aug (ITAR-TASS) — An armed detachment of fighters, led by Sultan Geliskhanov, the former chief of Chechnya's department of state security, has occupied a building in the town of Gudermes, which is located about 30 km east of Groznyy. Geliskhanov has proclaimed himself as the military commandant appointed by Dudayev. Journalists were informed of this in the Chechen capital today by Lieutenant General Anatoliy Romanov, commander of the joint group of federal forces in Chechnya.

Clashes on Chechnya-Dagestan Border Reported

LD2508125395 Moscow Russian Public Television First Channel Network in Russian 1100 GMT 25 Aug 95

[From the "Novosti" newscast]

[FBIS Translated Text] This morning there has been bitter fighting on the Dagestan-Chechnya border between Russian border guards and a group of bandits from Chechnya, who took four officers from the border guard hostage. Our Makhachkala correspondent Dekabr Beybutov learned some of the details of the incident by telephone.

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[Begin recording] [Beybutov] The group of border guards....

[Sultan Gantilov, Dagestan Interior Ministry] The group of border guards, numbering four officers....

[Beybutov] Numbering four officers....

[Gantilov] ...was carrying out operational tasks on the territory of the Chechen Republic and evidently came upon the militants. It seems they killed a soldier; the bodies of the others have not been found.

[Beybutov] Tell us about the fate of the officers. It is being said that they were seized by the militants.

[Gantilov] It is possible they were seized by the militants.

[Beybutov] What is happening now?

[Gantilov] What is happening now is that the alarm has been raised. The militia and border guards have been brought into the area, helicopters are in the air, and there have been skirmishes with the militants. Fifteen people have been wounded, 15 border guards have been wounded. No more is known. That is the information at 1230 hours.

[Beybutov] Okay. Thank you. [end recording]

Special Services Say Troops Used Chemicals

LD2408134095 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1215 GMT 24 Aug 95

[FBIS Translated Text] The commanders of a number of Russian troop subunits used chemicals in ordinary ammunition during active military operations in several districts in Chechnya, informed sources in the Russian special services, who wished to remain anonymous, told the Ekho Moskvy radio station.

These statements said in particular that preparations made from household chemicals were placed in the combustion chambers of shaped-charge antitank hand grenades, RPG-7's. A cloud would form when they exploded and its smoke infected the enemy's respiratory organs and vision.

Ekho Moskvy sources say that the Chechen side also refined grenades and other ammunition in this way.

Specialists think that it is practically impossible to prove the use of preparations made from household chemicals on the battlefield after several weeks have passed.

Experts Say No Chemical Weapons Used in Avtury

LD2408140795 Moscow ITAR-TASS in English 1352 GMT 24 Aug 95

[FBIS Transcribed Text] GROZNYY August 24 (ITAR-TASS) — No chemical weapons have been used in the Chechen settlement of Avtury, Yuriy Musiichuk, director of St. Petersburg Institute of Hygiene and Disease Prevention, told reporters today.

The institute's experts carried out medical and chemical studies in Avtury in the wake of reports that many residents of the settlement with a population of 16,000 had presented with complaints suggestive of a toxic exposure.

A final summary of the studies will be issued after laboratory analysis of water, soil and vegetation samples.

However, experts said there was a 99 per cent probability that chemical weapons have not been used in Avtury.

Musiichuk said scabies was seen in 110 of 226 Avtury residents examined by the institute's medical team.

Scabies had been formally diagnosed in 1,000 residents of Chechnya, but professionals estimate that a quarter of Chechnya's population is affected by scabies.

The high incidence of scabies is related to poor sanitation in overcrowded refugee reception centres set up during hostilities in Chechnya.

However, the most ominous consequence of the collapse of Chechnya's medical services during the Dudayev rule is polyomyelitis.

Poliomyelitis has been diagnosed in 93 children, six of whom died.

Preventive poliomyelitis vaccination has been recently carried out in a population of 90,000.

Suspected Dagestani Involvement in Running Guns

MM2508090895 Moscow TRUD in Russian 24 Aug 95 p 1

[Report by Oleg Zolotov: "Uneasy Border"]

[FBIS Translated Text] We were deafened by bursts of heavy assault rifle fire at the Yarag Kazmayar checkpoint. It turned out that hundreds of people were trying to get into Dagestan from neighboring Azerbaijan, attempting to demolish the barriers. Behind them stretched a line of trucks loaded with tomatoes. Border guards were trying to halt the crowd by firing into the air....

"Similar clashes occur almost every day on this section of the Azerbaijani border," border guards told us. "Many people still find it hard to realize that, in order to get into

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the neighboring republic, they now have to go through a complex procedure of filling out documents."

But sometimes even state organs are unable to decide "who can be admitted and who cannot." A Russian Government decree restricting the passage of agricultural produce from neighboring Azerbaijan has been in effect since April. Russian border guards implement it meticulously. But Dagestani customs officials, who are subordinate exclusively to the local authorities, have long assured us that they have not seen such a document. Therefore, in their opinion, trucks should be allowed through freely after an appropriate check. So these services have been working side by side for almost six months now, guided by different normative acts and thus creating dangerous precedents on their section.

In the opinion of certain observers, this lack of coordination in actions is not coincidental: Some people in Dagestan are suspected of being involved in running weapons to Chechen gunmen. Many people probably remember that MVD [Ministry of Internal Affairs] subunits and border guards operating near the population center of Kharat neutralized a group of six people who were attempting to get Molniya-type shells and small arms into Chechnya. Fate so decreed that an FSB [Federal Security Service] staffer just happened to cross the group's path. They beat him up and took his assault rifle. He managed to escape and report on the action that was being prepared.

This was the second thwarted attempt to deliver a large consignment of weapons and ammunition to Chechen separatists by way of Dagestan. In March of this year three KamAZ trucks carrying tomatoes from Azerbaijan aroused suspicion in the Derbent Border Detachment's section. The inspection revealed 250 Grad shells and 150,000 cartridges under a thin layer of vegetables. But the FSB still does not possess information as to how 1994-1995 model weapons are getting to Chechnya — the supporters of "independent Ichkeria" know how to keep their secrets.

"Dagestan is getting out of implementing the Russian Government decree regarding the shipment of freight from Azerbaijan," A. Guseynov, chief of the Derbent Border Detachment's intelligence section, complained.

"Why? How come? Who benefits?"

In reply Guseynov recalled:

"Local Administration Head S. Gadzhiyev was shot in Derbent a few days ago...."

According to Guseynov, he was a man with a criminal past. He headed a criminal grouping of approximately 100 people involved in racketeering, robbing, and smuggling.

No, the officer does not directly link the two facts. He simply shares the information, to reflect on it.... There is also discontent among the Lezgin diaspora, which found itself divided by the border with Azerbaijan and is opposed to the building of border guard troops subunits. They claim that border guards prevent them from maintaining cultural and economic ties....

In short, a knot of complex problems is being tied in Dagestan today, and they threaten to turn the republic into a new hotbed of tension....

Politics and Nationalism

Events Herald Dudayev's 'Creeping Reinstatement'

MK2408105495 Moscow KOMMERSANT-DAILY in Russian 24 Aug 95 p 3

[Report by Georgiy Bovt, Dmitriy Kamyshev under the "Situation in Chechnya" rubric: "Argun, Gudermes — and From There On, Everywhere"]

[FBIS Translated Text] Having exchanged tough statements with regard to the events in Argun, Russian and Chechen experts, as if nothing had happened, continued to discuss military matters "in an atmosphere of goodwill" yesterday. The negotiators' mutual anger was affected, however: It turned out that the Argun operation was not as close to combat as the Russian military attempted to portray it. In reality, they agreed on everything on the sly.

Chechen leaders insist on their theory of events. Aslan Maskhadov, co-chairman of the Special Supervisory Commission, called all that "a large-scale provocation," which was for some reason "planned by the Russian Federal Security Service [FSB]." He also insists on what he has said before: The "volunteers" essentially acted in compliance with the agreement on military matters, while the Russian troops violated it by sending tanks and helicopters to the city. Maskhadov has also accused Moscow of impeding the disarmament process by failing to send its representatives to Vedeno, Gudermes, and Groznyy Rayons. One gets the impression, however, that Maskhadov has no reason at all to get so excited. First, because an agreement on all contentious matters appears to have already been reached with him; and, second, the Chechen side does not appear to be so defenseless in the face of "the treacherous Russians" as he would like it to appear.

In the meantime, things are effectively moving toward a "creeping" reinstatement of the Dudayev regime on the whole territory of Chechnya. Khamzatov, who headed

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"the Argun campaign," was really appointed Argun commandant by Dudayev. The Russian troops really formed a corridor along which the Chechen fighters comfortably left the building of the Rayon Internal Affairs Administration [RUVD] with weapons in hand. Moreover, Dudayev appointed his commandants in other towns. In Groznyy, he will be represented by Abu Movsayev; in Gudermes, by Sultan Geliskhanov. Both men have appeared in the best possible light (from Dudayev's point of view).

As a matter of fact, a whole range of sources point precisely to Gudermes as the target on which the Chechens will make their next inroads. Vyacheslav Mikhaylov says this straightforwardly. This is what Pavel Grachev, too, said at the air show in Zhukovskiy. Generally, he does not make any bones — even in public — about his extreme irritation with the actions of the "peacekeepers:" Everything goes on as I predicted, he said; Gudermes will be the next target, and all delicate questions on Chechnya should now be addressed to the peacekeepers who have made a mess of it — so let them try to straighten it out. One should not rush to connect Pavel Grachev's displeasure to rumors that Arkadiy Volskiy has been removed from the government delegation, which was allegedly done on Yeltsin's verbal instructions. On the day before yesterday, Mikhaylov denied the rumors. Even from the technical point of view, it is not the president who could "fire" Volskiy (he could only recommend to the premier that this should be done), but Viktor Chernomyrdin, who could have done so by, say, passing a corresponding decree on making changes to the lineup of the government delegation in Chechnya at Thursday's cabinet meeting.

A helping hand in straightening out this mess will apparently still be offered to the peacekeepers. Today, Oleg Lobov may fly to Chechnya. According to the official theory, this trip is unrelated to his appointment as presidential representative on Chechnya — it is said that either there is still no edict at all or the edict is classified. Officially, Lobov is going there to prepare for a Security Council meeting that is due to be held next week.

Soskovets: Return of Ethnic Russians Priority

LD2408170195 Moscow INTERFAX in English 1325 GMT 24 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 24 (INTERFAX) — Russia's First Vice Premier Oleg Soskovets told the government Thursday that the program for the economic rehabilitation of Chechnya must have a priority provision envisaging the return to Chechnya of the ethnic Russians who had fled from the republic during the Dudayev rule and combat operations.

He expressed concern about the fact that the Chechen government bodies were mono-ethnic and consisted of Chechens alone.

Minister for Nationalities and Regional Policies Vyacheslav Mikhailov said that about 300,000 ethnic Russians had fled from Chechnya. "In the first place economic conditions must be created for the return of ethnic Russians to Chechnya," he said.

Defense Ministry Asked For R1.9 Trillion Extra

LD2408165395 Moscow ITAR-TASS World Service in Russian 0827 GMT 24 Aug 95

[By Anatoliy Yurkin]

[FBIS Translated Text] Moscow, 24 Aug (ITAR-TASS) — To conduct the fighting in Chechnya, the Russian Defense Ministry required 1.9 trillion rubles [R] not envisaged in the military budget for the current fiscal year, Major-General Vladimir Osadchiy, head of administration of the military department's Main Directorate of the Military Budget and Financing, believes. He said in an exclusive interview for an ITAR-TASS correspondent today that the disastrous situation in the army and navy had come about not only as a result of the events in the northern Caucasus, but also as a consequence of early financial miscalculations. In particular, the 1995 budget did not include the expenditure on increasing allowances and wages that was provided for legislatively from 1 January, and from 1 April.

"The Defense ministry leads the country among nonpayers, and today we have no means of paying either military servicemen or civilian personnel," General Osadchiy said. According to him, the military department's overall debt today amounts to R3.6 trillion. Debts for communal services and transport are particularly high. There is no money now to buy food for soldiers and sailors.

In order to correct the situation, General Osadchiy believes the Russian Government should come out with an initiative in the State Duma about clarifying budget indices based on the "National Defense" clause, taking into account price increases and current realities. "Our ministry tabled just such a proposal at the end of the first half-year when it was possible to get out of the situation with the least expense, but no one listened to our opinion at the time and now the clause in the military budget on allowances and wages will be completely exhausted by 1 November," the general noted.

Replying to a question about the miserly size of allocations, General Osadchiy stressed that the law on

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the federal budget for 1995 and the Russian president's instruction on returning debts to the Armed Forces are not being fulfilled. We failed to return them not only for last year to the sum of R12 trillion, but we have accumulated them this year, too. Thus, he said, in the first half-year the Russian Finance Ministry has allocated R2.8 trillion less for military expenditure than provided for by the law.

Fedorov: Offer to Chechnya Victims Not Politics

MM2508103795 Moscow ROSSIYSKAYA GAZETA in Russian 25 Aug 95 p 1

[Report by Vladimir Kuznechevskiy: "Svyatoslav Fedorov: I Did Not Confuse Duty With Advertising. Allow Me To Explain"]

[FBIS Translated Text] The well-known ophthalmologist Academician Svyatoslav Fedorov recently stated that his Moscow-based "Optical Microsurgery" intersector scientific and technical complex and all its 12 branches located in 12 areas of Russia are prepared to accept for consultation and treatment on a priority basis all citizens who have suffered various forms of eye damage during the hostilities in Chechnya. All medical assistance will be given free.

Since it has come to our knowledge that some people detected a "subtext" in S. Fedorov's statement, our correspondent met with the complex' general director and asked him:

"It is being claimed that you took this step for the purpose of political self-advertisement."

[Fedorov] I indeed intend to participate in the elections, but what has that got to do with helping the sick? You will excuse me for saying so, but I have never confused my duty as a doctor with politics.

Those who suspect me of political self-advertisement evidently do not know that immediately following the tragic events in Budennovsk, I gave instructions that people who had suffered at the time of the tragic events should be given absolute priority and free assistance. Then, when it became clear that it is not easy for people from that southern town to get to Moscow, I gave instructions that our surgery bus be sent there.

But with the passage of time I became convinced that information about our readiness to accept affected people without waiting or charge was not getting through to people. I was therefore compelled to turn to the mass media.

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Baltic Oil Enterprises Form Joint-Stock Company

LD2408140695 Vilnius Radio Vilnius Network in Lithuanian 1200 GMT 24 Aug 95

[FBIS Translated Text] Three national enterprises trading in oil products in the Baltic countries — Lietuvos Kuras, Latvijas Nafta, and the Estonian joint stock company [name indistinct] — made a decision to set up a joint-stock company. The decision was adopted at a meeting of the executive managers of the companies held in Riga.

The new joint-stock venture is to coordinate the activity of national oil companies and to supply fuel to enterprises of Latvia, Lithuania, and Estonia.

The necessity of taking such a step has been dictated by the vigorous efforts of some well-known foreign companies to establish themselves on the Baltic market. The Finnish Neste, Norwegian Stotoil, British-American company Shell, and Russian Lukoil have taken the leading positions on the market of the Baltic states.

According to unofficial reports, foreign oil companies are making efforts to control three quarters of the oil product market in the Baltic states. Meanwhile the Lithuanian company Lietuvos Kuras sells only 32 percent of the total amount of fuel consumed in the country.

ITAR-TASS Carries Press Review for 25 Aug

LD2508060295 Moscow ITAR-TASS in English 0417 GMT 25 Aug 95

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW, August 25 (ITAR-TASS) — Reporting on the situation in Chechnya, newspapers mostly limit themselves to printing materials of news agencies.

The KOMSOMOLSKAYA PRAVDA daily again calls attention of readers to the capture by Chechen rebels of the district police department in the city of Argun, raising the question of how field commander Khamzatov's detachment could freely cross the Chechen territory with weapons and then to leave Argun.

"It is not clear up to this time where and how Khamzatov left Argun," echoes the TRUD newspaper in turn. Under the headline "Valour and heroism of Russian servicemen displayed in Chechnya are not subject to reappraisal", the army newspaper KRASNAYA ZVEZDA runs an article on actions in the Chechen conflict by Defence Ministry officers who were awarded the title of the Hero of the Russian Federation by the Russian president's decree of August 9.

At the same time, the IZVESTIYA newspaper, carrying an interview with Russian soldiers captured by Dudayev's rebels and with a Chechen detained by Russian troops in Groznyy, tries to depict things in such a way that Chechen rebels treat prisoners of war well, while Russians at investigative wards constantly humiliate and threaten to kill detainees.

The ROSSIYSKAYA GAZETA newspaper reports that a heavy missile-carrying submarine of the Akula-class, sailing under Arctic ice, reached an assigned point near the North Pole and took a position for missile firing. According to the daily, the training launching of an intercontinental ballistic missile from the pole to a northern proving ground is scheduled for this Friday.

Therefore, according to the newspaper, "our country maitains strategic priorities, and it is too early to bury it as a superpower".

IZVESTIYA claims that "Russia's grain independence is in doubt". In the newspaper's opinion, the country will garner in the lowest grain crop over the past 30 years. Price hikes for bread even now outstrip price rises for other foodstuffs.

The newspaper warns that "the highest price hike for bread will coincide with the elections. And it is highly improbable that politicians hoping for success will disregard this circumstance".

In the opinion of Leon Onikov, the author of an article in ROSSIYSKAYA GAZETA, Russians have turned to be in the most difficult situation in the years of reforms. The author believes that ethno-political conflicts in the former Soviet Union will continue until their main reason is settled: the unresolved nature of the nationality question of Russians as a nation.

Noting that only two-thirds of the total number of Russians in the world live now in Russia proper, the author points to the need for guaranteeing everywhere rights of national minorities along with the national majority in each Russian region, including Russians.

Nikoay Ryzhkov, leader of the new election bloc "Power to People" calls for coordinating the position and actions by left-wing forces in an interview published by the PRAVDA newspaper. He stresses that the left-wing opposition may hope for a victory at the presidential elections only if it nominates a single candidate.

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The ROSSIYSKIYE VESTI newspaper describes the start of the election struggle in Russian regions in "a digest of the regional press". The daily reports that the "Soviet people's democracy" election association was created in Omsk. It includes communists, local trade unions, the local branch of "Union of Russian communities" and "Russian National Union".

KOMSOMOLSKAYA PRAVDA reports the existence of a long list of former KGB secret informers from among politicians occupying now prominent posts in the top echelon of power in Russia. The newspaper links with this list former Interior Minister Viktor Barannikov, and his recent death under unclear circumstances.

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Zotov, Milosevic Discuss Balkan Settlement

LD2408160795 Moscow ITAR-TASS in English 1541 GMT 24 Aug 95

[By Ivan Ivanov]

[FBIS Transcribed Text] BELGRADE, August 24 (ITAR-TASS) — The Russian President's envoy Aleksandr Zotov has begun talks in Belgrade with President of Serbia Slobodan Milosevic. It is expected that the talks will centre around the latest initiatives of the United States and Russia for the settlement in the Balkans.

These initiatives call on all warring parties to embrace immediate ceasefire on the territory of the former Yugoslavia and convene an international conference to work out a draft agreement on a comprehensive settlement of the Balkan crisis.

The leaders of Serbia, Croatia, and Bosnia and Herzegovina are expected to take part in the conference along with representatives of the member-countries of the international Contact Group.

Zotov today refused to hold a news conference prior to his meeting with Milosevic. Over the past three days he had held talks with the leadership of Croatia and the Moslem government of Bosnia and Herzegovina.

Zotov Comments on Meeting

LD2408174195 Moscow ITAR-TASS World Service in Russian 1645 GMT 24 Aug 95

[By ITAR-TASS correspondent Ivan Ivanov]

[FBIS Translated Text] Belgrade, 24 Aug (ITAR-TASS) — "I regard forecasts that the situation in the Balkans may improve with cautious optimism," Aleksandr Zotov, special envoy of the Russian president on problems in the former Yugoslavia, told an ITAR-TASS correspondent today after talks with Serb President Slobodan Milosevic. He described today's meeting as "quite open and substantive."

Judging by his talks in the last three days in Zagreb, Sarajevo, and Belgrade, Zotov said that "there is a real chance of a peace settlement to the crisis" in resolving which "Russia is trying to be an effective factor."

The Russian diplomat expressed the hope that the international mediators in the settlement in the Balkans, the Contact Group, will succeed in the next few weeks in improving the negotiation process "on the basis on which we will be able to get out of this crisis" and "not allow a new round of fratricidal armed clashes." "Russia is fully aware that a real barrier should be set up quickly in order not to allow the conflict to develop in this direction," he stressed.

Yeltsin's Peace Initiative 'Endorsed'

LD2408185795 Moscow ITAR-TASS in English 1833 GMT 24 Aug 95

[By Ivan Ivanov]

[FBIS Transcribed Text] BELGRADE August 24 (ITAR-TASS) — Yugoslavia totally endorses the proposal of Russian President Boris Yeltsin to convene a peace conference on the Balkan crisis, says an official statement from the office of Serb President Slobodan Milosevic.

The statement was issued today after the talk between Milosevic and Aleksandr Zotov, Russian special presidential envoy for the former Yugoslavia.

The statement says Yeltsin-proposed conference should pass a political decision which would equally defend the interests of all parties to the conflict.

Milosevic and Zotov discussed the efforts of the world community, the former Yugoslavia and Russia to stop the civil war in the Balkans.

The statement says the Serb president and the Russian envoy stressed that Russia backs the peaceful policy of the Yugoslav leadership and urges the lifting of the sanctions against Yugoslavia as a step towards the peace process.

"I have an attitude of reserved optimism towards prognoses of improvement of the situation in the Balkans," Zotov told ITAR-TASS after the talk with Milosevic.

He described the talk as "very frank and pithy".

Zotov said the talks which he had held in Zagreb, Sarajevo and Belgrade over the past three days suggested that "there are real chances of a peaceful settlement of the crisis...in resolution of which Russia wants to be an effective factor".

The Russian diplomat voiced hope that the international Contact Group would succeed in putting the negotiation process on the track within the nearest weeks.

Peacekeepers Leave Posts To Avoid Losses

LD2408172795 Moscow ITAR-TASS in English 1706 GMT 24 Aug 95

[By Ivan Ivanov]

[FBIS Transcribed Text] KLISA August 24 (ITAR-TASS) — Observation posts of Russian peacekeepers in eastern Serb Krajina have been shelled about 30 times over the past three weeks, commander of the Russian battalion Lieutenant-Colonel Aleksandr Nizhegorodov said in an interview with ITAR-TASS.

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One Russian soldier was wounded in the attacks.

The Russian posts were shelled mostly by Croats.

The Croats shot several shells to find a range on a fuel store of the Russian battalion stationed at Klisa air port.

Tension dramatically built up when the Croats on August 4 started their offensive against western Serb Krajina.

The tension also aggravated in Croatia-bordering eastern parts of Serb Krajina — Eastern Slavonia, Baranja and western Srem.

Part of that area is in charge of Russian peacekeepers, Nizhegorodov said.

The warring parties are in constant artillery and mortar duels, he said.

Croatian troops have entered the partition area between Serb and Croat positions, leaving in their rear 14 Russian observation posts.

The task of the posts was to register the reopening of fire by the parties in violation of an earlier truce agreement.

Nizhegorodov said Russian peacekeepers had been cut off of food and water supply, and the monitoring of breaches of the truce became senseless as neither the Serbs nor Croats complied with it.

For these reasons the Russian peacekeepers left the 14 posts to avoid mindless losses, Nizhegorodov said.

He said the Croats often mined approaches to the Russian posts and deployed artillery with which they pounded Serbs near the posts.

This put the posts under fire returned by Serbs.

The Russian peacekeepers are permanently watched by both Croatian and Serb snipers.

"The situation in the area in charge of our battalian has somewhat stabilised in the recent days. However, we do not rule out the launching by Croatian troops of a large-scale offensive against Krajina Serbs," Nizhegorodov said.

He voiced hope that things would not deteriorate as much as that, and the world community would be able to talk the warring parties into negotiation at the peace table.

Asked whether the Russian peacekeepers will resist advancing Croat troops, Nizhegorodov said this would depend on orders from the U.N. and the Russian Defence Ministry.

"Anyway, my main task is to save lives of our soldiers," the Russian commander said.

Moscow Welcomes Iraq's Move To Offer Information

LD2408132795 Moscow INTERFAX in English 1020 GMT 24 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 24 (INTERFAX) — Moscow welcomes Baghdad's decision to hand over additional information related to the program for building ballistic missiles to the U.N. special commission on Iraqi disarmament. "Undoubtedly, this is a move forward," a top-ranking official from Russia's Foreign Ministry declared in an interview with INTERFAX Thursday.

In his words, "it is unimportant what considerations Iraq took into account in deciding to lift the previous screen of secrecy on military programs." "In the end, not motives, but the result plays a more important role," the official said.

Baghdad accused former Industry and Mineral Resources Minister, director of Iraq's Military Industry Department, Husayn Kamil Hasan, President Saddam Husayn's son-in-law, who recently fled to Jordan, of deliberately hiding materials from the U.S. special commission headed by Rolf Ekeus.

"Moscow always headed Baghdad towards maximum close cooperation with the Ekeus commission," the source underlined.

Nevertheless, in his opinion, the United States, which opposes cancelling international sanctions with respect to Iraq, will react to Baghdad's last moves only after the U.N. special commission presents its final conclusion.

"Moscow hopes that the reaction of Washington and of other Russian partners in the U.N. security Council will be adequate to Baghdad's new demonstration of readiness to fulfill the U.N. resolutions," the INTERFAX interlocutor said.

Moscow Urges Iraq To Comply With UN Commission

LD2408161295 Moscow ITAR-TASS World Service in Russian 1452 GMT 24 Aug 95

[By ITAR-TASS diplomatic correspondent Andrey Urban]

[FBIS Translated Text] Moscow, 24 Aug (ITAR-TASS) — Baghdad has no alternative but to comply conscientiously with the UN Special Commission to Oversee the Destruction of Iraq Weapons, Mikhail Demurin, spokesman for the Russian Federation Ministry of Foreign Affairs, said here today.

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He said that Moscow has noted that during the recent visit to Baghdad by Rolf Ekeus, the commission's executive chairman, the Iraqi side provided additional information about its earlier programs in creating weapons of mass destruction. Ekeus said that there were positive changes in Iraq's approach to cooperation with the commission, and stressed the importance of information which it had received.

"We believe that only through honest and conscientious cooperation between Iraq and the commission it will be possible to finally close all disarmament dossiers," the Foreign Ministry's spokesman said. He said that this has always been conveyed and is being conveyed by Moscow to Iraqi representatives at different levels.

"We think it is important," Demurin said, "to move to the speedy solution of such problems of the post-crisis settlement as clarification of the fate of those Kuwaiti's who went missing and returning Kuwait's property."

Delegation in Iran Signs Contract on Nuclear Plant

LD2408152095 Moscow INTERFAX in English 1325 GMT 24 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 24 (INTERFAX) — A Russian Nuclear Energy Ministry delegation, headed by Deputy Minister Yevgeniy Reshetnikov, in Iran has signed a supplement to a contract on construction of a nuclear power station in Bushehr. Minister Viktor Mikhailov told INTERFAX that the additional agreement covers supplies of nuclear fuel from Russia.

Mikhailov said that nuclear fuel will be supplied to Bushehr from 2001 to 2011. Annual deliveries are to cost $30 million.

Mikhailov said that Russia and Iran will sign three other documents amending the contract. They will cover approval of the construction site in Bushehr, acceptance of the equipment available there and the payment scheme for the activities of Russian engineers.

The ministry delegation is now studying the construction site. According to Mikhailov, the Russian-Iranian contract will go into effect once the four documents amending it are signed, which is expected shortly.

Commander Defends Guard's Wounding of Chinese

LD2508071095 Moscow ITAR-TASS in English 0640 GMT 25 Aug 95

[By Larisa Beloivan]

[FBIS Transcribed Text] VLADIVOSTOK, August 25 (ITAR-TASS) — The use by Russian borderguards of arms against a Chinese transgressor was recognised as justifiable, Major-General Anatoliy Savitskiy, deputy commander of the Pacific border district, told ITAR-TASS here on Friday.

He headed a group of officers from the district command, which investigated the incident on the Russian-Chinese border which took place there last Tuesday.

According to earlier reports, a border patrol detained a transgressor at the section of the Grodekovskiy detachment in the Maritime territory, Russian Far East. The Chinese citizen offered resistance to borderguards and attacked the patrol commander with a knife.

Following a warning shot, a patrol member was forced to use his weapon against the transgressor. The latter bled white several hours later.

The group of officers returned from the place of the incident to Vladivostok late on Thursday evening. "Actions by the borderguard were within 'the Law on the state border'," said Savitskiy about the results of the preliminary investigation. "They fully conform to an item of the law regulating the use of arms."

District prosecutor Stepan Kaitandzhyan confirmed the opinion of the deputy commander. According to the prosecutor, actions of the borderguard do not run counter to the Russian criminal code, including the article on necessary self-defence.

However, the prosecutor noted that the district prosecutor's office initiated a criminal case on the death of the Chinese citizen. It already received the results of a forensic medical examination: they confirmed the reason for the Chinese national's death as a result of white-bleeding.

Chinese border representatives are now trying to identify the deceased. His body will not be evidently handed over to Chinese authorities before this time.

Border Chief on Russian-Chinese Border Agreement

LD2408161695 Moscow ITAR-TASS in English 1222 GMT 24 Aug 95

[By Murat Abdulkhatin]

[FBIS Transcribed Text] BEIJING, August 24 (ITAR-TASS) — "The longest and politically most important Russo-Chinese border must be "an iron curtain" for criminals, but open for normal contacts," said director of the Russian Federal Border Guard Service Colonel-General Andrey Nikolayev today, commenting on the importance of a Russo-Chinese agreement on cooperation between the two sides in border guard issues which was signed in Beijing.

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Nikolayev said that the Russo-Chinese agreement will take bilateral cooperation to a new level. This document has no analogues in Russia's practice, he noted. The two sides have coordinated a system which practically creates an international and legal basis for contacts in the sphere of border guard security. The agreement has laid a foundation to the establishment of special relations between the two neighboring states and will promote the formation of a system of strategic stability in the Asian-Pacific region, which is the main achievement of the agreement and our cooperation with China, Nikolayev said.

He confirmed that during his talks with heads of Chinese power structures the problem of the demarcation of the Russo-Chinese border was raised. Russia does not intend to depart from the Russo-Chinese agreement of 1991, Nikolayev said. But the settlement of a concrete issue in a concrete border area is a task to be resolved by demarcation commissions. These problems should be resolved without imposing any variants and the results should fully meet both Russia's and China's interests, Nikolayev added.

Grachev: Chinese 'Peacefully Conquering' Far East

LD2408145495 Moscow INTERFAX in English 1325 GMT 24 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 24 (INTERFAX) — Russian Defense Minister Pavel Grachev told the government Thursday that "Chinese citizens are peacefully conquering Russia's Far East."

He expressed concern about the rapid growth of Chinese settlements in Russia's Far Eastern regions.

He also said that according to his sources, the Chinese who have settled in the Far East have organized martial arts training centers.

Head of Russia's Federal Migration Service Tatyana Regent admitted there were channels through which illegal migrants, among them Chinese citizens, are arriving in Russia. "The Chinese expansion must be stopped," she said.

She proposed drafting a program for moving ethnic Russians, above all migrants from former Soviet republics, to the Far Eastern regions.

This idea was backed by Minister for Nationalities and Regional Policies Vyacheslav Mikhaylov.

"From a weak point migration processes must be turned into our forte," said Mikhaylov.

He said about 5 million ethnic Russians were expected to arrive in Russia from former Soviet republics during the next four years. He also said that housing must be built for refugees in the Far East and the North Caucasus.

First Vice Premier Oleg Soskovets said the Cabinet must draft a resolution on the procedure of ousting illegal immigrants from Russia.

He said assistance must be given to head of the Maritime Territorial Administration Yevgeniy Nazdratenko, who is concerned about the Chinese expansion in the Far East.

The Russian government will set up an interdepartmental commission for dealing with the problem of refugees from former Soviet republics.

Security Seals Offices of Hungarian Air Carrier

LD2408152895 Moscow ITAR-TASS in English 1439 GMT 24 Aug 95

[By Andre Urban]

[FBIS Transcribed Text] MOSCOW August 24 (ITAR-TASS) — The building of the Moscow office of Hungarian air carrier Malev was sealed today by security guards of Russian firm Veles.

A credible source told ITAR-TASS that Malev appealed to the consular service of the Russian Foreign Ministry to attend to the conflict.

Representatives of Malev said its international services were on the brink of collapse and Malev was losing millions.

The company addressed the consular service after Moscow city authorities refused handle the incident.

A spokesman for Veles said his company took away the office space which Malev rented because of its failure to extend the rental as required by the contract.

Veles is not the first Russian business to use camouflage-clad force against a foreign company.

However, the incident may for the first time precipitate a scandal involving foreign ministries of two states.

A Hungarian official who spoke on the condition of anonymity told ITAR-TASS that the Budapest office of Russian air carrier Aeroflot might soon experience a similar treatment.

Hungarian Embassy Protests Treatment

LD2408160995 Moscow ITAR-TASS in English 1548 GMT 24 Aug 95

[By Andrey Urban]

[FBIS Transcribed Text] MOSCOW August 24 (ITAR-TASS) — The Hungarian embassy in Moscow presented a note of protest to the Russian Foreign Ministry

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in relation to the abusive act by Russian company Velcs against Hungarian air carrier Malev.

A Russian Foreign Ministry spokesman told ITAR-TASS that the Moscow office of Malev was sealed by security guards hired by Veles, which leased the office space to Malev, on the grounds that Malev had not extended the lease contract.

The spokesman said the Hungarian embassy in its note calls on the Russian Foreign Ministry to immediately stop "unlawful acts" against the Hungarian company and probe into the incident in order persons responsible for the incident are identified and brought to justice.

The spokesman said the Foreign Ministry jointly with Moscow authorities is looking into circumstances of the incident.

Moscow Helping With Office Seizure

LD2408181795 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1600 GMT 24 Aug 95

[FBIS Translated Text] "At present we are taking all necessary measures to help the Hungarian embassy," Mikhail Demurin, the first deputy director of the Russian Foreign Ministry's Department for Press and Information, said in an interview with the Ekho Moskvy radio station.

After the seizure of the Hungarian airline Malev's office during the night of 23/24 August, the Hungarian embassy in Moscow sent an official note to the Russian Federation Foreign Ministry with a request for the safety to be guaranteed of Hungarian citizens and Hungarian property on Russian territory.

Vietnamese Envoy on 'Possibilities' for Relations

LD2408171695 Moscow ITAR-TASS in English 1522 GMT 24 Aug 95

[By Sergey Afonin]

[FBIS Transcribed Text] MOSCOW, August 24 (ITAR-TASS) — Vietnam and Russia have great possibilities for widening interaction both in the field of bilateral relations and international and regional affairs, Ho Huan Nghiem, Ambassador of the Socialist Republic of Vietnam to the Russian Federation, told ITAR-TASS today on the occasion of the approaching 50th anniversary of the declaration of independence of Vietnam which will be marked on September 2.

Our countries are old friends and traditional partners, he noted. Kind relations of mutual aid and cooperation have been existing between us, and our peoples have always felt sincere feelings of love and respect for one another.

Vietnamese will never forget a large disinterested assistance from Russia, the Russian people and former republics of the Soviet Union which was rendered to Vietnam in the fight for national independence and in the building of new life, the ambassador stressed.

It is important that despite certain difficulties, Vietnamese-Russian relations do not show signs of decline but receive a more and more powerful impetus to the development, the diplomat believes. It is exactly in this context the Treaty on Basic Principles of Mutual Relations between the Socialist Republic of Vietnam and the Russian Federation was concluded last year, Ho Huan Nghiem pointed out.

The inter-governmental commission for trade and economic, and scientific and technical cooperation has been acting successfully. It has already outlined a broad programme for measures in such most important fields as the power engineering, the agroindustrial complex, the light industry, the machine building industry, the chemical industry, scientific researches and culture, the ambassador noted.

We are seeking to intensify the development of our interaction in different directions on the basis of what we have already achieved. This is a consistent line of our state and a sincere wish of the Vietnamese people, the high-ranking diplomat emphasized.

Moscow Seeks Help To Free Plane From Afghan Opposition

LD2408170695 Moscow ITAR-TASS in English 1656 GMT 24 Aug 95

[By Aleksandr Zhudro]

[FBIS Transcribed Text] MOSCOW, August 24 (ITAR-TASS) — A Russian foreign ministry spokesman said on Thursday [24 August] Russia had addressed everybody who might help to free a Russian plane having been held by an Afghan opposition movement for about two weeks.

The cargo plane belonging to Tatarstan's airlines Aerostan was seized in Kandagar by the movement "Taliban" which said it would release the crew and the aircraft in exchange for spare parts for Russian weapons they had.

The Russian side has addressed "everybody who might exert any influence on talibs — the leadership of several foreign states, primarily Moslem ones, as well as public organisations and some parties of these countries, and to international organisations, including the United Nations

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and the Organisation of Islamic Conference", Mikhail Demurin said.

The Russian Foreign Ministry and other agencies are using all the channels available to free the plane, Demurin said.

On the whole, Russia's approach to the problem which is viewed as a "purely humanitarian one, which should be solved without introducing any political aspects into it, has been met with understanding," the spokesman said.

Demurin noted that the Taliban leadership had set forth absolutely inadmissible conditions for launching the talks and left Kandagar shortly after the first meeting with a Russian representative. "This is a big obstacle to our work," Demurin said adding that there were no direct contacts with the movement since August 14.

"We have stated that we are prepared to receive a delegation of talibs in Moscow or send a competent foreign ministry official to Kandagar or any other place at their discretion for talks," the spokesman continued.

He also said that Tatarstan's mufti Khazrat Gabdulla Galiullin planned to shortly come to the region to deliver an address of the autonomy's president and clergy to talibs. The Foreign Ministry is assisting in organising the trip, the diplomat added.

Russia To Open Mission to Palestine Organization

LD2508101695 Moscow ITAR-TASS in English 1000 GMT 25 Aug 95

[By Aleksandr Zhudro and Dmitriy Zelenin]

[FBIS Transcribed Text] MOSCOW, August 25 (ITAR-TASS) — A Russian mission to the Palestine National Administration (PNA) will be opened in the near future. Andrey Vdovin, director of the Mid-East and North Africa department of the Russian Foreign Ministry, said in an interview with ITAR-TASS here on Friday [25 August].

Head of the mission Aleksey Chistyakov departed for the place of work last Thursday.

The Russian mission is established on a decision of the Russian government, the department director said. Its task includes coordination of humanitarian contacts as well as trade, economic and cultural relations with automonous Palestinian areas.

The mission which will consist of its head and two staff members, is called upon to render assistance in establishing the autonomous entity in compliance with agreements concluded earlier between Israel and the Palestine Liberation Organisation.

The establishment of the mission will help to deepen traditional friendly Russian-Palestinian relations, Vdovin added. It will be headquartered at the place of stay of the PNA leadership headed by Yasir 'Arafat, which is now based in the Gaza Strip.

Chistyakov held the post of deputy director of the Mid-East and North Africa department before his latest appointment. Prior to this, he performed diplomatic duties at several Arab countries, was Soviet Consul-General to Israel, and later envoy-councillor of the Russian Embassy in Tel Aviv.

Foreign Ministry Condemns Abkhaz Parliament

LD2508065095 Moscow INTERFAX in English 0450 GMT 25 Aug 95

(From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Aug 24 (INTERFAX) — If the report that the Abkhaz parliament turned down the draft protocol on settling the Georgian-Abkhaz conflict proves to be true, this will signify that the Abkhaz leadership departed from the agreements reached preliminarily. This statement was made at Thursday's briefing in Moscow by Foreign Ministry spokesman Mikhail Demurin.

As he said, the draft protocol was prepared and coordinated by Georgian and Abkhaz representatives through Russian mediation during talks held in Moscow. "The draft was initiated by the special envoys of the Georgian and Abkhaz leaders," Demurin said.

According to him, "such development of events is not conducive to securing a favorable climate for settlement processes; it puts fresh obstacles on their road, and creates dangerous preconditions for heightening the confrontation." "This is fraught with a return to banking on military methods," warned the high-ranking Russian diplomat.

He confirmed Russia's respect for Georgia's territorial integrity.

"A comprehensive solution to the conflict must also take into account the interests of Abkhazia's multinational population, of course," Demurin noted.

He urged the two sides to "return to the road of mutual compromises and good will in the search for a comprehensive political solution to the conflict with Russian mediation and under U.N. auspices."

Demurin said he hopes that "the talks to be held in Moscow on August 29 at Abkhazia's suggestion will take place in a constructive spirit and be conducive to

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resolving the practical issues of settlement, primarily the problem of refugees' return."

In answer to journalists' questions Demurin pointed out: Moscow believes that the peacekeeping operation in Abkhazia will be continued, "if no extraneous elements are introduced."

"Today Russian peacekeepers pose a stabilizing factor, which prevents the conflict from being kindled again in direct proximity to Russia's frontier," he pointed out.

Georgia's Decision on Constitution Concerns Moscow

LD2408211895 Moscow INTERFAX in English 1928 GMT 24 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 24 (INTERFAX) — The Russian Foreign Ministry is concerned about the Georgian parliament's decision to put off the adoption of a constitutional chapter on the federal structure of the Georgian state, Ministry spokesman Mikhail Demurin said at a briefing in Moscow Thursday [24 August].

Demurin said Moscow is worried about the outlook for a settlement of the Georgian-Abkhazian conflict.

He said that during the Georgian-Abkhazian talks the Tbilisi officials were sure that Georgia will become a federal state.

Demurin made it clear that Russia will make its concern known to the Georgian leaders.

Cease-Fire on Tajik-Afghan Border Said Violated

LD2408170595 Moscow INTERFAX in English 1325 GMT 24 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 24 (INTERFAX) — U.N. military observers in Tajikistan stated that the opposition militants' fire attack on a Russian patrol helicopter was a violation of the agreement on ceasefire on the Tajik-Afghan border, the Federal Border Service's information agency told INTERFAX Thursday.

A Russian patrol helicopter came under heavy-gun fire on August 22 in the section of the Tajik-Afghan border controlled by the Kalai-Khumb border detachment. As a result, the helicopter was slightly damaged, but none of the crew members was injured.

Military sources in Dushanbe told INTERFAX that the helicopter had been attacked by the Afghan unit under Lieutenant-Colonel Hafiz's command, which is opposed to the Russian border troops and renders help to the Tajik opposition.

A Federal Border Service spokesman said that leader of the U.N. military observers in Tajikistan, Brigadier-General Hasan Abaza had been informed of the incident and angrily condemned the militants.

Kozyrev Greets Ukraine's Udovenko on Independence Day

LD2508071795 Moscow INTERFAX in English 0450 GMT 25 Aug 95

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Aug 24 (INTERFAX) — Russian Foreign Minister Andrey Kozyrev sent a message to his Ukrainian counterpart Hennadiy Udovenko Wednesday [23 August] on the occasion of Ukraine's Independence Day.

Ukraine became independent in 1991.

Kozyrev said in the message, received by INTERFAX, that he was confident that "close and active interaction on the international arena" was in the interests of both Russia and Ukraine. Kozyrev said the implementation of the recently signed protocol on consultations and cooperation between the two countries' foreign ministries would contribute to development of bilateral relations.

Kozyrev also wished peace and prosperity to the Ukrainian fraternal people.

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Political Issues

Yeltsin Talks With Leaders of Political Groups

LD2408141095 Moscow INTERFAX in English 1325 GMT 24 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 24 (INTERFAX) — President Boris Yeltsin is engaged in conducting consultations with the leaders of political parties and blocs in the Kremlin on Thursday. As INTERFAX's correspondent learned from sources in the leadership of the Republican Party, the president has already received its leader Vladimir Lysenko.

Boris Yeltsin is expected to receive today Gavriil Popov, the leader of the Russian Movement for Democratic Reforms.

According to sources, such meetings are conducted in the framework of political consultations between President Yeltsin and the leaders of parties and associations involved in the election campaign.

Elections to the State Duma are scheduled for December 17.

Yeltsin Discusses Threat to Security From Crime

LD2508103695 Moscow ITAR-TASS in English 0959 GMT 25 Aug 95

[By Andrey Shtorkh]

[FBIS Transcribed Text] MOSCOW, August 25 (ITAR-TASS) — The problem of crime "is so urgent that it cannot be postponed for tomorrow. Crime has become a real threat to Russian national security", said President Boris Yeltsin here on Friday, addressing a meeting of the collegium of the Russian Interior Ministry.

Before the start of the collegium meeting, the chief executive inspected an exhibition of technical means used by police to settle every-day tasks. The Russian leader praised the exposition.

Addressing top executives of the ministry, he noted that he visited the building of the ministry for the first time, which, as the president remembered, was not done by a single head of state.

Yeltsin Establishes Council on Local Government

LD2408203495 Moscow ITAR-TASS in English 2017 GMT 24 Aug 95

[FBIS Transcribed Text] MOSCOW, August 25 (ITAR-TASS) — Russian President Boris Yeltsin on Thursday [24 August] ruled to establish a presidential council on local government "to provide for the co-ordinated reform of local self-rule," a presidential press-service reported. The council will be chaired by Prime Minister Viktor Chernomyrdin.

The move was taken with the account for recommendations made by the All-Russian Conference for the Implementation of Constitutional Provisions on Local Government and the State Power System in the Russian Regiona, the document said.

The presidential decree also approved the Statute of the Council.

The ruling comes in force on the date of signing.

Chernomyrdin Pledges Support for Mining Industry

LD2408185195 Moscow ITAR-TASS in English 1827 GMT 24 Aug 95

[By Gennadiy Yezhov]

[FBIS Transcribed Text] MOSCOW, August 24 (ITAR-TASS) — The Government of Russia will continue to provide subsidies to the country's mining industry and regulate it by market methods, Russian Prime Minister Viktor Chernomyrdin said today.

The funds for its restructuring will be provided next year by the World Bank in the form of a 500-million-dollar loan next year.

Chernomyrdin said the industry is no longer loss-making. The turn-around happened in the first three months of this year, and now 29 stock companies are producing profits and 12 have switched to self-financing.

Along with this, 15 loss-making collieries had to be closed down and jobs had to be cut, the prime Minister said. The total number of jobs in the mining industry has dwindled by ten percent over the past two year, Chernomyrdin said.

This has led to cuts in the federal budget allocations designed to make up the losses in the coal mining industry. Two-and-a-half years ago, 77 percent of all money earmarked for the purpose came from the federal budget, the government share has since dropped to 27 percent of the total, the Prime Minister said.

In 1995, eight trillion roubles were allocated from the budget to support the coal mining industry. By August 22, a total of 4.3 million roubles had already been paid out, Chernomyrdin said.

On August 17, the government approved a schedule in line with which it will repay the federal debt to the miners on a month-by-month basis in the third and fourth quarters of this year.

As concerns next year's budget, it envisages an increase in spending on the closure of loss-making collieries

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and on social support for their personnel, including the building of new housing, the Prime Minister announced.

Chernomyrdin, who was addressing a meeting in Moscow called to mark Miners' Day, read out President Boris Yeltsin's message of greetings to Russia's miners. The President said in the message that he was well-aware of the problems facing the country's miners. The President also said a decision on additional funding of the mining industry was being considered.

Foreign Economic Ministry Denies Davydov Resigned

LD2408135095 Moscow INTERFAX in English 1020 GMT 24 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 24 (INTERFAX) — Russian Deputy Prime Minister, Minister for Foreign Economic Relations Oleg Davydov, did not tender his resignation yesterday evening, the press center of the Ministry for Foreign Economic Relations told INTERFAX today, thus denying some Russian media allegations on the matter.

The same source said Davydov is now on vacation in Karlovy Vary (the Czech Republic).

The same source said Davydov could not have offered his resignation yesterday because it was impossible for him to get in contact with Russian Prime Minister Viktor Chernomyrdin, who was then visiting Altai.

The same source said the press service does not have any information proving that Davydov is going to leave his post.

The same source described as "unserious and malicious" the allegations that Davydov might have linked his decision to resign with the recent detention of his former deputy, present Director General of the Mashinoimport foreign trade enterprise Andrey Dogayev. Dogayev was detained as suspected of participating in a large-scale smuggling deal.

New Government Appointments Listed

MM2508095095 Moscow ROSSIYSKIYE VESTI in Russian 24 Aug 95 p 1

[Unattributed report under the general heading: "Cadres"]

[FBIS Translated Text]

Changes in Commission Personnel

V. Toporov, Russian Federation deputy defense minister, S. Kavun, deputy commander of the Internal Affairs Ministry internal troops, S. Zdorikov, chief of the Russian Federation Defense Ministry educational work main directorate, and Ya. Urinson, Russian Federation first deputy minister of the economy, have joined the government commission for the social issues of servicemen.

Appointments and Retirements

By a Russian Federation Government directive V. Tretyak has been relieved of his post as first deputy general director of "Rosvooruzheniye." At the proposal the Russian Federation minister of transport, V. Kornilov has been appointed general director of the "Sovkomflot" joint-stock company, and S. Briginevich has been appointed Russian Federation trade representative in Thailand.

Government Discusses Budget Formation Proposals

MM2508094995 Moscow IZVESTIYA in Russian 25 Aug 95 p 1

[Report by Irina Savvateyeva: "Government Divides Money Between Center and Regions"]

[FBIS Translated Text] The regulation of interbudget relations was discussed as the main issue at the sitting of the Russian Federation Government Presidium Thursday [24 August]. The series of consultations conducted by the Ministry of Finance on this thorny issue over the past few months has been raised to government level, although the quest for the best possible way to form the budget at various levels — federal, federation component, and local — has so far been conducted within the framework of interregional conferences with the participation of the Ministry of Finance.

According to Vladimir Petrov, first deputy minister of finance, the main proposals of the Ministry of Finance boil down to the following:

"It is proposed to establish stable norms for deductions from federation component budgets for three years. After all, the existing practice of an annual review of these norms does not give the regions freedom in medium-term planning."

At the same time it is also being proposed to calculate the expenditure base of regional budgets proceeding not on the basis of last year's indicators, as has been the case until now, but on the basis of 1991. The new scheme was prompted by the fact that there was a sharp reduction in defense orders in 1992. As a result, a number of regions with a highly developed defense and high-technology industry moved into the category of chronically depressed regions, and their position has been exacerbated with every passing year. Certain ideas on the formation of local budgets were also proposed to the government. They essentially boil down to the fact

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that local self-government organs must have a stable revenue base and they need to retain part of the taxes for themselves for this purpose.

Decree Aims To Deter, Penalize Nonpayments

MM2408122695 Moscow ROSSIYSKIYE VESTI in Russian 24 Aug 95 p 1

[Unattributed report: "Law: Penalties for Nonpayments"]

[FBIS Translated Text] The Russian Federation Government has adopted a decree on measures to ensure law and order in payments for goods deliveries. It has been established that unapplied amounts owed to creditor organizations whose payment deadline has expired shall, four months after the debtor organization's effective receipt of the goods, be written off without fail as losses and be included in the creditor organization's financial results.

MVD Minister on Rampant Corruption in Service

MK2408124095 Moscow SEGODNYA in Russian 24 Aug 95 p 6

[Report by Artem Vetrov: "Anatoliy Kulikov Proves Correctness of Shamil Basayev's Words"]

[FBIS Translated Text] Shamil Basayev's scandalous accounts of traveling the roads of Russia together with his group before the Budennovsk events seem not to be devoid of some truth. In a meeting last Tuesday with the chief editors of Moscow newspapers, the new Minister of Internal Affairs, Anatoliy Kulikov, revealed that a special experiment was staged on his instructions not long ago. It consisted of having a group of disguised operatives of the regional Administration for Combating Organized Crime leave Vladikavkaz. They were assigned a covered "KamAZ" truck loaded with crates of vodka, all the necessary papers, and two million rubles. The group's assignment consisted of reaching Rostov Oblast disguised as merchants to see how effective the checkpoint regime was. The inspection results almost completely bore out Basayev's words.

The minister said that the "KamAZ" with MVD [Ministry of Internal Affairs] operatives was stopped en route at 24 GAI [State Motor Vehicle Inspection Administration] checkpoints. Only in two of them did they refuse to accept bribes from the "merchants" and conscientiously checked the papers and contents of the truck. It is worth noting that the size of pay the light-fingered pillars of order demanded for "unobstructed" (without inspection and asking any details) passage gradually diminished depending on the distance from the Caucasus. For example, the operatives paid between 200,000 and 300,000 rubles [R] in travelling the first kilometers, with the sum falling to 20,000 or 30,000 at the end of the trip. The regional organized crime operatives paid bribe takers a total of R2.16 million. Mr. Kulikov noted that criminal proceedings had now been instituted as a result of these instances and that an investigation is in progress.

However, the minister also said that combating such tendencies is rather hard. The financial position of militia personnel remains at an extremely low level. For example, the state's debt incurred in funding the MVD may soon top R3 trillion, and this position will quite probably persist in the future.

'Major Shake-Up' Under Way in Interior Ministry

MK2408142495 Moscow SEGODNYA in Russian 23 Aug 95 p 6

[Report by Aleksey Grishin: "New Minister Lifts Up His Old Deputy"]

[FBIS Translated Text] As our newspaper has already reported, a major shake-up began last week in the Russian Federation MVD [Ministry of Internal Affairs], ostensibly connected with the change of the head of this department. Two men were relieved of their positions at that time — Mikhail Yegorov, who headed the Main Administration for Organized Crime [GUOP] and had simultaneously been in charge of the criminal police service, and Yevgeniy Abramov.

Yesterday [22 August], Minister of Internal Affairs Anatoliy Kulikov apparently dotted all the "i's" and crossed all the "t's" in this matter. As SEGODNYA correspondents have come to learn, on Tuesday [22 August] he presented the new chiefs to the ministry's executives. Vladimir Kolesnikov, who until recently had headed the GUUR [Main Administration for Criminal Investigation], was appointed to the position of deputy minister in charge of the criminal police service. The place of another first deputy was taken by Pavel Golubets, former deputy commander of the Russian Federation MVD troops. Mikhail Yegorov and Yevgeniy Abramov, according to available information, were relieved of their positions at their own request and at the moment are at the disposal of the MVD Main Personnel Administration.

Also yesterday, the question about the position of GUUR chief, vacated by Vladimir Kolesnikov, was decided. Mr. Kolesnikov was succeeded in the post by his former deputy, Ivan Khrapov. Uncertainty remains in the GUOP. At the moment, the acting chief of this service is Anatoliy Davydov, transferred by the minister's order from the GUUR to the position of

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GUOP deputy chief. Besides, the GUOP's status may soon be changed. Up to now, this subdivision has not been a structural part of the criminal police service, and, as far as is known, there are various organizational proposals concerning this.

Central Commission Registers Electoral Blocs

LD2408164995 Moscow INTERFAX in English 1408 GMT 24 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 24 (INTERFAX) — The Russian Central Electoral Commission decided to register three electoral blocs at its meeting in Moscow today.

One electoral bloc was denied registration.

The Central Electoral Commission registered the center-left bloc led by Ivan Rybkin, the Power to the People electoral bloc and the We Serve Russia electoral bloc.

The Rybkin bloc includes the People's Movement-Russia public-and-political movement, the Regions of Russia organization, the Russian Union of Youth, the Accord and the My Fatherland movements and the Union of Realists.

The Power to the People bloc is made up from the Russian All People's Union and the Movement of Mothers for Social Justice. The electoral bloc is led by former USSR premier Nikolay Ryzhkov, State Duma deputy and Russian All People's Union leader Sergey Baburin and Union of Officers Chairman Stanislav Terekhov.

The We Serve Russia bloc unites the Russian Economic Society of Servicemen in Reserve organization and the Revived Russia People's Front.

The Central Electoral Commission denied registration to the FNS electoral bloc because this abbreviation was not deciphered. This unregistered bloc unites the Pyotr Struve, Historic and Educational Foundation and the Party of Scientific-Technical Intelligentsia.

Petr Struve Foundation President Valeriy Smirnov told the Central Electoral Commission that the bloc's creators did not consider its name an abbreviation.

Smirnov was one of the leaders of the Front of National Salvation (FNS) together with Ilya Konstantinov, Nikolay Pavlov. The Front of National Salvation was registered by the Russian Ministry of Justice.

The Central Electoral Commission proposed to Smirnov that the bloc either rename itself or appeal in court against the commission's decision.

National Patriots To Aim For 15 Percent of Vote

MK2508080695 Moscow SEGODNYA in Russian 24 Aug 95 p 2

[Report by Viktor Khamrayev: "General Sterligov Will Not Feel Embarrassed To Defend the Russian Man. National Patriots Are Ready for a Union 'With Chernomyrdin, Gaydar, and Yavlinskiy, If You Want' "]

[FBIS Translated Text] The idea of "defending the Russian man" has become the fundamental ideology of the electoral bloc of national-patriotic forces, its founders told Moscow journalists yesterday [23 August], following the first stage of their constituent congress, held the day before.

The bloc, called tentatively "For the Revival of Great Russia," is being formed around Aleksandr Sterligov's "Russian National Council [Sobor]." As it follows from the prepared press release, the initiative by the patriotically-minded KGB general has already been backed by the All-Russia [Military] Officers' Assembly (Gen. Vladislav Achalov and Gen. Valentin Varennikov), the Association of Industrialists and Entrepreneurs [as published; see below: Commodity Producers] of Russia [AIER] (Aleksandr Tizyakov), the "Union of Russian Refugees," and the Party of Social Justice. The bloc is open to all "organizations and groups with a clear-cut national orientation." The founders believe that the bloc will be further expanded by 8 September, when the second stage of the congress is due to be held.

According to Aleksandr Sterligov, consultations on electoral cooperation are being held with Zyuganov's Communist Party of the Russian Federation and the Agrarian Party of Russia. It is hard to say now who else is going to join the national-patriotic bloc. The Association of Industrialists and Commodity Producers of Russia, however, will most likely quit and will leave only Mr. Tizyakov at Mr. Sterligov's disposal. According to an AIER statement transmitted yesterday via ITAR-TASS channels, Aleksandr Tizyakov is an "impostor" and "is neither the AIER's president nor even its Central Council's elected member." The association, presided over by Vladimir Piskunov, has made no decision to form an alliance with the "Russian National Council," and it will participate in the election together with Vladimir Shcherbakov's United Industrial Party.

Still, responsibility for the economic portion of the Sterligov bloc's platform lies with the former member of the State Committee for the Emergency Situation [Aleksandr Tizyakov, one of the August 1991 coup plotters], who spoke yesterday, on behalf of the association and the bloc, about the need for "economic stabilization" to

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be achieved through strengthening state control both "in the state sector and on the market."

Mr. Sterligov believes that his bloc differs from the existing patriotic forces (Yuriy Skokov's Congress of Russian Communities and Aleksandr Rutskoy's "Derzhava") in that these others "do not talk openly about defending the Russian man." The "national council" leader believes they "feel embarrassed to talk about Russian interests." The general ranks "Power to the People," the Liberal Democratic Party of Russia, "Forward, Russia!," and other blocs using powerful-state slogans in their electoral programs among those merely "playing the national-patriotic card."

Mr. Sterligov also said that his national-patriotic forces were ready to cooperate "with Chernomyrdin, Gaydar, and Yavlinskiy, if you want," because those who support "For the Revival of Great Russia" "see the Russian people, rather than political parties," and do not wish that Russia follow the trail of Yugoslavia.

The electoral platform principles will only be made public after the constituent congress. At yesterday's news conference, the "revivers" only stated that they were going to form a "Russian government." In addition, the national patriots, if they get to the Duma, want to help the accumulation of "Russian capital" since, in their opinion, other peoples in the country have already accumulated their capital: for instance, the Russian banking and finance sector has been seized, in Aleksandr Sterligov's words, by "Jewish capital."

The trio of Aleksandr Sterligov, Aleksandr Tizyakov, and Vladimir Achalov form the federal slate. In addition, Mr. Sterligov is going to try his luck in a single-seat constituency in Voronezh Oblast. The "Russian National Council" leader believes that his potential electorate will be largely composed of orthodox parishioners; "a considerable number of Cossacks;" "a considerable number" of those who voted for Zhirinovskiy in the 1993 election; "rural construction workers;" and defense industry workers. In this connection, Mr. Sterligov told your SEGODNYA correspondent that the "revivers" intend to gain 15 percent of the vote.

'Popular Alliance' Party To Run in Election

MK2508083495 Moscow SEGODNYA in Russian 24 Aug 95 p 2

[Report by Anatoliy Veslo: "Party of 'Cheated Depositors' Comes Up With Its Slate. Votes of Failed Investors Are Also Claimed by Other Political Forces"]

[FBIS Translated Text] Yesterday the "Popular Alliance" party, setting its sights on defending the interests of cheated depositors, announced that it had promoted its own list of candidates for the State Duma election. According to Dmitriy Galagan, secretary of the party's central executive committee, 90 percent of the "Popular Alliance" candidates are cheated depositors. Mr. Galagan stated that the "Popular Alliance" was urging the state to recognize the money deposited by the people with swindler companies as the state's public debt owed to depositors.

Aside from the "Popular Alliance," set up with a view to voicing the hopes and aspirations of failed investors, the "cheated depositors'" votes are being contested by the Party of Economic Freedom. Among the organizations in Ivan Rybkin's center-left project is an "Association of Deceived Depositors." Finally, the patriotic part of the political spectrum includes an organization uniting depositors in the "Tibet" concern. We have to acknowledge that as a result of last year's "pyramid" booms and, most importantly, crashes, a new layer of voters has emerged in Russia: the "cheated depositors."

Army Needs 'Its Own Men' in State Duma

MM2508082595 Moscow KRASNAYA ZVEZDA in Russian 24 Aug 95 p 1

[Article by Vladimir Yermolin: "The Army Has a Stake in Lawmaking. So It Should Have Its Own People in the Duma"]

[FBIS Translated Text] The election programs which the candidates intend to use in order to win our votes are being finalized. Whom to vote for? It is always best to consider this in advance, instead of under pressure from election campaign rhetoric. This applies to voters in the military as well. Politicians and statesmen only remember this group of voters when they are starting to hunt for votes, particularly in the final stretch of the election marathon. This is evidenced by the mere fact that you will be hard put to find an electoral bloc which has not installed in its presidium one and sometimes two generals or other less senior members of the Army or Navy. The plan is obvious — an army uniform in their ranks means they are concerned about the armed forces' problems and about national defense in general. It would be strange to object to the presence of people who command respect in election blocs' battle formations. But, alas, this has occurred on several occasions: As soon as the election campaign is over and candidates start settling into their deputies' seats...the need for token generals will disappear together with any interest in Army affairs and soldiers' problems.

It is logical to assume that the military themselves know best the Army's problems and therefore can represent its interests in parliament in the most professional manner.

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But practice shows this is not necessarily so. The fact of belonging to the Army, length of service, and combat record are no guarantee at all that a person is cut out for lawmaking. Unfortunately, and I do not know why, you get someone who has just left the Army beginning to display a tendency for political intrigues, tireless self-publicity, and for providing himself with the good things in life, thus emulating his civilian colleagues. In parliament a former commander or political worker somehow rapidly acquires a taste for international activity, despite the arduous work involved in frequent foreign trips. I do not want to say anything bad about those who obviously would like to be of use to their Army and Navy, but for objective reasons — lack of education and of any experience, and, most important, of ability — they have engaged in lawmaking for the most part intuitively, at an emotional level. Therefore, often in a haphazard way.

Then again, has anyone in the course of meetings with voters ever asked the candidates with strictly military background about the specific laws they would like to see added to existing legislation? As a matter of fact, in the not so distant days of yore, and today as well, the chief attraction of a candidate was his ability to chide bosses big and small. If he shoots his mouth off it means he is one of the people and realizes that we "cannot live like this any longer." But, as a rule, this stridently demonstrated "realization" just about exhausts the merits of the future parliamentarian.

It has been observed that the worse life becomes, the poorer the quality of the elected parliament becomes. For instance, the Army is not being paid any money at the moment. Entire districts and fleets have forgotten about leave this year. Even the trifling amount they proudly call maintenance allowance has not reached officers' families for months. Who is going to listen to the most splendiferous political and economic platforms on an empty stomach? With life as it is, it is hard to expect a voter not to latch on to further revolutionary appeals and promises of rapid and fundamental changes. "When I come to power," a leader of a currently popular party said, "every officer will get at least $700 per month." According to our correspondents, leaflets containing these promises are being distributed on ships of the Northern and Baltic Fleets. Perhaps not only there. Lack of confidence in the authorities, which have left the Armed Forces to deal with their problems alone, people's extreme annoyance, and the desperation of servicemen's wives — these are all factors an experienced politician would make sure he exploited. Brashness and shameless lies could well elbow out of the way competitors opting for an intelligent, thoughtful approach to the realities of life. Overwrought and embittered people, who have been deceived time and again, need the magic drug of simple remedies. Especially since Russia has never been short of radicals. But, unfortunately, there are now also many people who have been driven to desperation. And when you are desperate you might sell your soul to the devil. This is typically Russian.

In fact, all that I am saying is accompanied by the solitary hope in the all-conquering power of the sense of self-preservation. One would like to believe that there are not as many among us as there were before who want to step on the same banana skins twice (or is it three times now?). If someone aspires to your trust now you must, figuratively speaking, take him to your chest, look him in the eye, and get a clear and specific answer: "How can you be of use as a deputy to me, my family, my job, and my country?" Let us not forget that the man is bent on being a legislator. This means that he is not going to talk to us voters about current policy, but he is going to give an articulate account of his legislative platform, particularly as it applies to military service and life. Given the unfortunate experience of the implementation of the Russian Federation law "On the Status of Servicemen," let us not forget to ask whether the rosy legal prospects have a sound economic base, whether they conform to the potential of the state treasury. This will be at least make it clear whether we are dealing with someone from this planet. Let us ask two or three questions to find out whether the candidate is able to stick to the point and answer in good Russian. Let us not forget the classic observation: A clear thinker will express himself clearly. Let us also not be taken in by the candidate's military bearing and stories about the hardships of military service. Practice shows that a purely civilian deputy is capable of making an excellent job of protecting the military's legal interests. As long as he has the knowledge and the commitment to the state's defense capability.

Indeed, military voters are interested not only in the military part of the candidate's program. But no one aside from us, the military, would ensure that men familiar with the Army's problems, Russian Army patriots if you like, will get into the Duma — people prepared to work dedicatedly and knowledgeably on the legal basis of the military reform. There will be many sympathizers, but the reality of it is that when the budget pie is divided up, when the time comes to vote, everyone will remember who makes up his own constituency — peasants, teachers, bankers, pensioners. As for the military.... At any rate, hitherto the Duma has attended to the defense budget more in words than in deeds. You would also be lucky to find 10 consistent and persistent defenders of Army interests among current parliamentarians.

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The Army and Navy definitely need "their own men" in the State Duma. Preferably not one or two, but a deputies' group at least, whose program goal is to promote, push through, and lobby for laws determining the health of our Armed Forces and the state of national defense as a whole. The past two years have shown how much more successful the Defense Committee's efforts can be when it has the backing of parliamentarians during plenary sittings.

Of course, the Army absolutely needs "its own men" in the State Duma. But for this to happen everyone who is not indifferent to the fate of the Russian Armed Forces must act positively. Not only the military. Actually, the high cost of the Army and Navy is largely due, among other things, to flawed laws in the "military package," yawning gaps in the legal basis of military reform. Working on laws for the Army means ultimately reducing the burden of military expenditure and more prudently and effectively investing every ruble of the military budget. So civilians' interest in the way laws are drawn up for the Army is entirely valid. So an alliance between the civilian voter and the military against the demagogues and adventurists is entirely logical. But speaking specifically about the deputies who are trying to extend their mandate by another term, then personally their pre-election eloquence does nothing for me. It is sufficient to recall how they voted on the most important draft laws for the Armed Forces, including on the budget. We will have an opportunity to speak more graphically about our current parliamentarians, but only after the "legion" of co-seekers of the people's trust has formed definitively. We will try to publish the results of the ballot on questions which are fundamental for the Army so that every one of our readers can sort out for himself who is who. Obviously we will announce the authors of the laws directly concerning the man in uniform which are adopted. We will bear in mind that two terms of the new parliamentarianism have also produced real professionals in defense legislation, who have been through fire and water and passed the test of the other temptations of being a deputy. There are just a few of them, to my mind. It is all the more important for us not to waste this modest "gold stock." Here it will nevertheless be easier to make a choice than if we had a set of unknown candidates.

All in all, our next election is imminent. By and large, this is a question of choosing a way of of life for the next four years. I repeat, there is not much reason for optimism. But it is worth trying. At least so as not to let obvious rascals onto the road to the top.

Journalist Criticizes 'Private KGB's'

MM2408111495 Moscow PRAVDA in Russian 24 Aug 95 pp 1-2

[Article by Anatoliy Baranov: "'Under Surveillance.' 'Private KGB's' Against Journalists"]

[FBIS Translated Text] I learned confidentially from circles close to the Main Protection Directorate that journalists Zhanna Kasyanenko (SOVETSKAYA ROSSIYA), Aleksandr Barinov and Kirill Dybskiy (SEGODNYA), Aleksandr Prokhanov (ZAVTRA), Aleksandr Lyaskov (KOMSOMOLSKAYA PRAVDA), and myself have been "operationally targeted" by the protection structures of a number of leading banks and companies.

I will not name the commercial structures so as not to get involved in unnecessary litigation, and the reader is familiar with all these names from their pompous and by and large pointless advertising. It is enough to make a child laugh. And it is hard to prove such things in court, since you do not need an edict to "target someone" — just try and prove it, especially when commercial bank documentation is guarded far better than state secrets. However, Prokhanov did name the MOST-bank in his newspaper, but only in a personal context and without giving any particular details. The editorial office has a whole list.

Experts explained that "operational targeting" or "active measures" may include various elements — from secretly digging up dirt on a "client" and bugging telephones to threats, blackmail, and even physical extermination.

The reason for the organs' interest was the publication of material on the "Feliks group," which, one story has it, formed within KGB and Main Intelligence Directorate structures switched to operations within the country. Another story has it that "Feliks" does not exist, but increasingly few committed people are sticking to this after the murders of the last few days. Hence the interest in journalists — in case they may lead to the big fish, "Feliks."

With regard to me personally, right now they are confining themselves to pestering some of my colleagues and acquaintances with questions and are not, moreover, hiding the fact that they are collecting information for "Most" and "LogoVAZ." They may be joking, but my scared colleagues are telephoning to warn me.

The question is just whether or not this is legal. If it is not, why are the "omniscient" competent organs not stopping this and protecting honest citizens?

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It is altogether strange that many things in the public eye become somehow transparent and invisible as soon as the prosecutor or a task force member looks into them. For instance, in a store on the capital's Taganskaya Ploshchad for $20 you can buy... a "bug," a device for tapping other people's telephone lines. Who buys these apart from lovers of "operational targeting"? In a store on Ulitsa Petrovka you can buy a night-sight cheaply — needless to say, to carry out "active operations" at night by affixing this device to a suitable rifle. Have you bought one? Well, you are now James Bond, or you can go and get a job with a small arms dealer.

Because you will not be taken to see the big fish — the guys there are burlier and their equipment is more substantial.

The commercial banking system was being set up at the time when the state and its support — the KGB — were breaking up. And guarding that system proved a far more promising business for the former organs than ideals (in which the defenders of the constitutional system seemed to be totally lacking). As a result, at a time when the Russian Army is trying — and extremely unsuccessfully at that — to disarm illegal armed formations in Chechnya, every moneybag in Russia's capital has acquired a small KGB. And these are not your self-taught Basayev sabotage squads but complex structures led by real masters of their art — ranging in rank from colonels to colonel generals — manned by the most mobile personnel of the former organs and, what is more, kitted out and equipped far better than the current state special services themselves, not to mention their pay, which is greater by several orders of magnitude.

It may seem that the parallel with Chechnya is inappropriate but, let us remember: Three years ago, would anyone have believed that former Soviet Army officers would be shooting one another and that the Chechen State Security Department, manned by former Soviet chekists, would be operating against the Lubyanka?

The might and influence of the "new Russians" and their "protection" structures are extraordinary. Thus, Yeltsin, who had refused to even hear of Ilyushenko's dismissal as acting general prosecutor, was more than attentive to that dismissal after studying a request for it from the "Russian Business Roundtable." Barsukov, the new leader of the FSB [Federal Security Service], has already approved measures to coordinate his department's efforts with Russian business security structures. Let us think it over: The omnipotent KGB's successor is entering into partnership relations on an equal footing with... private protection structures. But we know that nothing is disappearing; it is just moving from one to the other.

Thus it looks as though the current FSB has become enfeebled compared to Andropov's dependable department as the number of "private KGB's" in the shadows of the Russian banks has increased.

These structures are only linked in very relative terms with the banks' ordinary guards. At any rate their sphere of activity is seen as very broad — and ranges from putting pressure on poor debtors to activity in the field of Russian journalism. And activity in the field of politics and state government.

Thus personal contacts were recently recorded between the leader of a very active bank's protection structure and a Mossad agent. In the old days an agent of that rank should have gotten authorization for such a meeting from no less a body than the CPSU Central Committee. But today what is the situation? After all, a bank employee and a person of diplomatic rank formally had a meeting and talked.... And what intricate contacts are possible with such frequent (previously inconceivable) trips abroad by the "new chekists"? Not to mention the fact that real estate abroad and foreign accounts for senior officials and Russian business magnates are not only the driving force behind these people themselves but are also used to direct the activity of the "new special service" agents against the state that they once guarded as Soviet intelligence and counterintelligence officers.

On the other hand, links between the banks' protection structures and the criminal world are quite uncontrolled, but the question is who is controlling whom here. If a senior MVD [Ministry of Internal Affairs] official says that 400 out of 1,200 Moscow banks are controlled by gangsters, the situation in Chechnya does not seem so dramatic against the backdrop of the capital's "Most's" and other edifices.

To go back to the beginning, the General Prosecutor's Office should not be regaling the public with terrifying tales about the killers of Kholodov and Listyev, who have almost been caught, but should be investigating the persecution by very definite commercial structures of specific journalists still living. As long as the acting general prosecutor himself has not been sacked at the request of those selfsame structures....

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Media Issues

Newspapers Seen 'Doomed' by Local Press Bill Veto

MK2508113895 Moscow OBSHCHAYA GAZETA in Russian
No. 34, 24-30 Aug 95 (Signed to press 23 Aug 95) p 12

[Report by Anna Mazepa: "The President Signs Yet Another Death Sentence"]

[FBIS Translated Text] This time around, he does this to more than 2,000 Russian newspapers: Boris Yeltsin rejected the draft federal law "On Economic Support for Rayon/Municipal Newspapers," which had been submitted to him by the Duma. Why?

We may say that this was a fully socially-oriented draft law drawn up to provide the minimum support to the worst-off Russian journalists. Now, at a stroke of the president's pen, an overwhelming majority of local papers are doomed to die, their personnel to lose their jobs, and millions of provincial readers to find themselves in a full informational vacuum.

According to statistics, the 1995 subscription to small local newspapers outdid the subscription to oblast and, particularly, all-Russia newspapers by tens and sometimes even hundreds of times. Of course, when you sit in the Kremlin, packed with all conceivable sources of information, your vision of the world changes considerably: Involuntarily it seems to you that all other citizens are also on the threshold of the 21st century and at the very heart of civilization at that. Hence, what do they need a rayon paper for, if one can simply switch on CNN at any moment! Right outside the Kremlin — and the farther away from it, the more so — there is nothing of the kind at all, and for a majority of people the rest of the world is contained within this minute paper. In the out-of-the-way provinces, television from Moscow is still unavailable, nor does radio function everywhere.

At the same time, even impressive subscription figures do not resolve these publications' financial problems in present-day economic conditions. They operate from hand to mouth, staffed exclusively with enthusiasts whose average monthly salaries range from 10 to 30 dollars. Naturally, most appeals reaching the State Duma Committee on Information Policy and Communications come from these newspapers. Journalists implore that a program of state support for local papers be adopted.

To the committee's credit, it heeded these appeals, drew up a draft law, and held two major parliamentary hearings, to which it mostly invited those whom the draft law was intended to help. First, the bill established a procedure to fund local papers directly from the federal budget. This was a wise decision because, on top of everything, no other Russian publications are now more oppressed by the executive authorities than those in the backcountry, where local administrations are twisting journalists' arms unabashedly. The second idea is to create a federal register of rayon newspapers. The third, to establish responsibility for the use of these earmarked budget appropriations.

Incidentally, under the bill "On Economic Support for Rayon/Municipal Newspapers," the estimated financial burden was to remain within the limits of the subsidies that are currently paid to all Russian media. The issue would have just been to redistribute this money, nothing more. Thus, there was nothing to prevent Boris Yeltsin from signing the bill into law; moreover, everybody appeared to agree that there simply was no other option. Still....

Was the bill's fate sealed from the outset then? What is hiding behind the strangely unsubstantiated ease of imposing bans when the issue is to help with something concrete and tangible those who are deprived and poverty-stricken?

Possibly, our president is not blood-thirsty, and he may not even wish them ill. Nonetheless.... The reasons for the veto were formulated by the president's State Legal Administration [SLA]. Its staffers made an expert evaluation of the law on the basis of which it was turned down. This expert opinion looks fairly strange — it is short on substance, but liberal in emotions and declarations. As a result, the bill is proposed to be rejected mostly due to formal criteria — proceeding from such objections almost anything can be rejected, including the effective constitution, which turned out to be not as perfect as most citizens of this great country had dreamed.

That there was simply a WISH to reject the law and that the SLA obediently translated its patron's desire into practice was confirmed by the flat refusal to comment on the expert opinion that your OBSHCHAYA GAZETA correspondent received from the acting SLA chief, Larisa Brycheva. Naturally, explanations would clearly not flatter her agency.

Apparently, it is the personal relations between Boris Yeltsin and Mikhail Poltoranin that played the key role in the veto decision. The former allies in the democratic "underground" currently cannot stand one another. Whatever Mikhail Nikiforovich [Poltoranin] achieves in his legislative work is right away rejected by Boris Nikolayevich [Yeltsin]. The president seems to have completely lost interest in the real problems of the media — according to the old Russian tradition, he is more preoccupied with his ambitions than with anything else. The case of an extremely important bill was not an exception.

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Clearly, Boris Yeltsin does not read rayon newspapers. He has long switched to the Moscow press fully and definitely. There is, however, only one alternative to the realized presidential predilection — an informational vacuum for a majority of his fellow citizens.

Military & Nuclear Issues

Former Military Leader Views Reforms

MM2308133795 Moscow KRASNAYA ZVEZDA in Russian 22 Aug 95 p 2

[Article by Lieutenant General Yevgeniy Malashenko, former chief of staff of the Carpathian Military District: "The Russian Army in the 21st Century. What Will It Be Like?" — first paragraph is KRASNAYA ZVEZDA introduction]

[FBIS Translated Text] Questions of military reform are not losing their topicality in our society. That is confirmed by the continuing debate in the mass media, including KRASNAYA ZVEZDA, about ways and methods of its further implementation. Today Lieutenant General Yevgeniy Malashenko — formerly chief of staff of the Carpathian Military District and deputy chief of staff of the Joint Armed Forces and later consultant to the General Staff center for operational-strategic studies — gives his view on a number of problems.

On 30 June this year KRASNAYA ZVEZDA published an article on military reform. Its author, Major General G. Gorzenkov, chief of a General Staff sector, undoubtedly sets forth not only his own views but also ideas existing in the General Staff regarding important issues of defense, military organizational development, and the structure of the Russian Federation Armed Forces. Not all positions of the article are the same and the proposals for the development of a state program of military reform enlisting the best minds from the academies not only generate a feeling of solidarity, they also make us wonder why to this day, after several years of military reform, such a program has not been elaborated in the country. You form the impression that in Russia since the "Tbilisi syndrome" and the collapse of the Union questions of defense occupy a secondary place in the minds of statesmen. Now, to all appearances, we are not guaranteed against the "Chechen syndrome" either. All this must be considered in speaking of the reform of the Armed Forces.

What are the main avenues here? The examination of the country's defense issues as a system of political, economic, military, social, legal, and other measures confirms that this is the prerogative primarily of the president, the head of government, and the Defense Ministry. But how do you order the Defense Ministry to act in the development of long-term plans and concepts if the very concept of the country's Armed Forces is greatly eroded? If to this day there has been no precise definition of the role and place of "other troops" in them? I do not mention the numerical strength of the Armed Forces.

As we know, the leadership of the Armed Forces is carried out by the president (the supreme commander in chief) and the general Staff (the working organ of the General Headquarters in war time). And their numerical strength and staff are determined by political goals and operational-strategic tasks. That means they must not be mindlessly reduced in accordance with the leaders' former populist statements, Duma debates, and the treaties of the nonexistence Union and Warsaw pact but be brought into line with forecasts for the development of the military-political situation and the economy and scientific and technical potential of the Russian Federation.

As for the structure of the Armed Forces then one can agree with the author's suggestion that it is preferable to have four branches in them: the strategic deterrent forces, the ground forces, the air force, and the navy, and also special troops. It is true that the strategic deterrent forces scarcely need a high command, main staff, and operational formations (armies). Why not? They were all required during the creation and establishment of the Strategic Missile Forces. Now the number of ICBM's has declined considerably and the medium-range missiles have been eliminated. Moreover, the combat use of these forces is planned directly by the General Staff and it is the general staff which will control their combat operation. So in my view in the Strategic Deterrent Forces we should have structures ensuring the maintenance of their combat readiness, the safety of the operation of missiles and warheads, and the pursuit of technical policy.

The proposal to create an operational command within the Ground Forces is giving rise to doubts and is perhaps of a departmental nature. After all, it is aimed at increasing the number of managerial structures subordinate to the General Staff and the number of military leaders (right now there are already more generals and particularly colonel generals in the Russian Army and Internal Affairs Ministry [MVD] than there were in the Soviet Army). Essentially it is proposed to create the former salient high commands which in many ways duplicated the functions of the military districts' commands and failed to justify their existence.

Let us recall that it is in the military districts that all basic steps to staff and train the troops, to carry out mobilization work and organize combat operations are carried out.... Essentially the operational command

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retains only the functions of the leadership of the formations (armies) of the branches of the Armed Forces and the coordination of their actions on a specific strategic salient (theater of military operations). But these functions could be assigned to the relevant commanders of military districts (fronts). So that the presence of operational commands can be justified only on condition that they are created instead of military district directorates and that the operational formations of the branches of the armed forces and central rear services organs on a specific territory are transferred to their subordination.

The commander in chief of the Ground Forces and the commanders of the military districts could be given responsibility for air defense of the armed forces and facilities. As a whole it is better to transfer the Air Defense Troops to the Ground Forces and not the Air Force, as the author suggests. After all, in the event of aggression it is the commanders of the military districts (fronts) who will be responsible for the air defense of troops and facilities since they are actually capable of organizing collaboration between all air defense forces and facilities: the air defense forces, the fighter aircraft, and tactical air defense. As for the Moscow Air Defense District, it will obviously be better to abolish it, transferring the troops to the Moscow Military District.

I think we should reinforce the troops groupings on the main strategic salients. Primarily in the West and North Caucasus. The reason? In the West there used to be troops from four groups and four military districts and now there is just one district left — the Moscow District, which has become a border district. Perhaps in the interests of defense we should restore the Western Military District (Smolensk).

In the North Caucasus to ensure safety it is not enough to have a few hundred tanks and guns. This salient for Russia today has acquired very important strategic significance. Why? This has frequently been mentioned in the press. I think there is no point in repeating it. Already in the North Caucasus it is expedient to have two districts in Rostov (the Don district) and Krasnodar (the North Caucasus District). In this connection we should specify a few provisions of the treaty on conventional armed forces in Europe, particularly on levels of heavy arms on the flanks relating to other times and countries (the Warsaw Pact Organization), which is actually what Russia is doing at the international level.

There is an urgent need finally to determine the role and place of "other troops" in the joint armed forces system. Here I fully agree with the author of the above-mentioned article and believe that a considerable increase in the numerical strength of the MVD and that ministry's troops and the creation of various special militias in the center and locally, the intensification and excessive concern for the special services harm the armed forces and their staffing, backup, and prestige. Judge for yourselves: In a country with an enormous territory and a weak economy which cannot meet its own food requirements what has been created are essentially second numerically strong armed forces — the so-called "special troops" with a huge management apparatus (seven MVD internal troops districts, 10 border troops districts (groups), and seven regional civil defense centers). At the same time the numerical strength of the armed forces is being reduced and their troops are understaffed and inadequately equipped and backed up.

All this was graphically manifested in Chechnya. As we know, for operations in Groznyy the Armed Forces had to create composite detachments and move units from the territory of the entire country, even from the shores of the Pacific and Arctic Oceans. A gloomy fact. That is why to reinforce the Russian Federation Armed Forces many "other troops" could in peace time perhaps expediently be disbanded or transferred to the ranks of nonmilitary structures of the relevant civilian ministries. In particular the troops of the federal road construction administration, the railroad and construction troops, and the Federal Government Communications and Information Agency should be transferred to the subordination of the chief of the Armed Forces Communications Troops or the Russian Federation Ministry of Communications. The Civil Defense troops should be included in the military districts. And operational formations and units and special motorized units of the MVD internal troops should be transferred to the Armed Forces and re-formed into army formations and units. The border troops should be operationally subordinate to the General Staff.

In addition to the above proposals, in my view we should examine questions of the reduction of the number of military academies and scientific research institutes and the number of officers. It is expedient, for instance, to unite a number of academies: two All-Service academies — the academy named for Frunze and the armored troops academy — two air defense academies (the air defense troops academy and the ground forces air defense academy), two missile forces and artillery academies, two air force academies, and several others.

The above suggestions may possibly give rise to criticism from people involved who are defending departmental interests and sometimes their own jobs but I believe the interests of the country's defense are above everything.

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Dangers of Moscow Nuclear Plants Viewed

LD2308144895 Moscow IZVESTIYA in Russian 23 Aug 95 p 7

[Article by V.M. Kuznetsov, director of International Chernobyl Safety Foundation's Russian Information Analysis Center for Averting Accidents at Nuclear Power Installations: "Is a Repeat of Chernobyl Possible in Moscow?" — from the "Ekspertiza" section]

[FBIS Translated Text] According to information from the Russian Information Analysis Center for Averting Accidents at Nuclear Power Installations, the leadership of the Scientific Research Institute of Energy Technology, located on Moscow's Upper Krasnoselskaya Street, is carrying out work on the modernization of the IR-50 nuclear research reactor and the latter's use in accordance with a regime not peculiar to it.

Operation of the IR-50 has already been suspended twice in the past two years by the Moscow Inspectorate for Supervising the Nuclear and Radiation Safety of Research Reactors of the administration of the Central District of the Russian Federation Inspectorate for Nuclear and Radiation Safety for violating the safety norms and regulations in nuclear power generation. Instead of working to take this installation out of operation, work is being done to increase the reactor's capacity by a factor of 400.

The center's experts believe that this work, which is supposedly being carried out for the needs of the city (saving organic energy sources), cannot be done to the detriment of the lives of Muscovites. It can only be hoped that common sense will prevail over an imaginary saving.

At the present time hundreds of potentially dangerous nuclear installations with an increased radiation danger are continuing to be operated on the territory of Russia and the CIS. There are approximately 100 nuclear power installations in Moscow and its immediate vicinity.

Every year accidents and disasters in Russia claim over 50,000 human lives, maim over 250,000 people, and cause material losses in excess of hundreds of billions of rubles. The relative indicators just for man-made accidents and disasters in Russia are two or three times higher than the analogous indicators in other industrially developed countries. Under conditions of economic instability there has been a steep increase in the degree of risk of accidents and disasters.

There are diverse kinds of disasters. Their causes are still more diverse. But it is perfectly obvious that a significant proportion of disasters (if not most of them) are predictable. Many were predicted.

In the capital of the Russian state there are 1,500 enterprises which use nuclear plants and radioactive materials. The greatest danger is posed by 769 enterprises whose work results in the formation of radioactive waste.

Potentially the most dangerous enterprises, which operate nuclear research plants and complexes of "hot cells," are situated in the Northwestern Administrative District (the "Kurchatovskiy Institut" Russian Scientific Center, the All-Russia Scientific Research Institute of Inorganic Materials, the Biophysics Institute), in the Southern District (the Moscow Engineering and Physics Institute, the All-Russia Scientific Research Institute of Chemical Technology), and in the Central District (the Institute of Theoretical and Experimental Physics, the Scientific Research Design Institute of Energy Technology). In the immediate vicinity of Moscow nuclear research plants are located in the city of Khimki (the Scientific Research Institute of Radiation Safety of Space Objects), the city of Lytkarino (the Scientific Research Institute of Instrument Making), and the city of Podolsk (the "Gidropress" enterprise).

The majority of nuclear research plants are obsolete and flawed from the safety viewpoint, and not one of them possesses a protective cover which, in the event of a discharge of radioactive substances, could localize them within its own volume. Further operation of nuclear research plants represents a potential danger to the residents of Moscow City and Oblast in possible nuclear and radiation accidents.

In addition, the location of most of the nuclear plants on the territory of geologically unfavorable parts of the city with karst undermining processes taking place within them also casts doubt on the claim by the owners of nuclear plants that they are "absolutely safe" for the population.

The enterprises in the city of Moscow that pose the greatest radiation danger, because they use sources of ionizing radiation, are the Russian Academy of Sciences Physical Chemistry Institute (Southwestern District) and the All-Russia Scientific Research Institute of Technical Physics and Automation of the Russian Federation Ministry of Atomic Energy (Southern District).

Suffice it to say that two powerful radiation plants at the Physical Chemistry Institute are loaded with sources of ionizing radiation (cobalt-60) with a total activity of 200,000 curies. In addition, the institute has dozens of kinds of open sources, including fissionable materials, with a summary activity of up to 39 curies.

The All-Russia Scientific Research Institute of Technical Physics and Automation uses and stores over 400

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closed-type sources with a total activity of approximately 5 million curies.

The already very complex ecological situation at installations is being exacerbated by the accumulation of spent nuclear fuel, questions of whose processing and recovery have not been resolved.

Thus, for example, the spent fuel storage facilities at the "Kurchatovskiy Institut" Russian Scientific Center, which is in one of the most densely populated parts of Moscow, are 80-90 percent full. In addition, another ecological problem associated with the need to rehabilitate the territory of temporary storage facilities for radioactive waste has arisen as a result of the 50-year activity of the aforementioned institute. These storage facilities occupy an area of two hectares. According to appraisal data, there is over 200 tonnes of waste with high summary activity (58,900 curies) in storage facilities which started to be filled in the mid-forties. These facilities do not meet modern demands relating to safety in nuclear power generation.

[The article is accompanied by a sketch map showing the location of nuclear research plants in the city of Moscow, cross-referenced to the following table showing the number of plants belonging to various organizations]

Organization	Number of Plants
Scientific Research Institute of Radiation Safety of Space Objects	1
"Kurchatovskiy Institut" Russian Scientific Center	28
Scientific Research Institute of Energy Technology	1
Moscow Higher Technical School	4
Moscow Energy Institute	1
Institute of Theoretical and Experimental Physics	2
"Krasnaya Zvezda" Production Association	2
Moscow Engineering and Physics Institute	7
All-Russia Institute of Chemical Technology	1

Federal Assembly

Committee To Seek End to Sanctions on Yugoslavia

LD2408175595 Moscow ITAR-TASS World Service in Russian 1134 GMT 24 Aug 95

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[FBIS Translated Text] Moscow, 24 Aug (ITAR-TASS) — Boris Yeltsin has every reason to sign the laws on Russia abandoning the international sanctions against Yugoslavia and imposing large-scale sanctions against Croatia adopted by the State Duma recently, the Committee for International Affairs of the parliament's lower chamber believes. The committee's view was voiced by its deputy chairman, Aleksey Mitrofanov, at today's news conference in Moscow.

Mitrofanov said that the position of the United States, which was the first to opt for unilateral actions on the issue of the embargo on arms supplies to the Bosnian Muslims, gives Russia such a moral right. He stressed that none of the West's allies are experiencing pressure of international economic and political sanctions, while Russia has to refuse its natural allies the right to international exchange of goods and technologies. At the same time, the United Nations has not developed an international legal mechanism for lifting economic pressure from a given country, and this has its effect first of all on the situation in the republics of former Yugoslavia, the Duma committee's deputy chairman said.

Mitrofanov announced that, at the initiative of some deputies, the Committee for International Affairs had drawn up draft laws on Russia abandoning the international sanctions against Libya and Iraq but, he added, the committee is not unanimous on this issue, which will be submitted to a plenary session of the State Duma in October.

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Regional Affairs

10 Radiation Sources Stolen in Kaliningrad

WS2508092595 Kaliningrad STRAZH BALTIKI in Russian 22 Aug 95 p 1

[Article by O. Shcheblykin: "Radiation Taken Out"]

[FBIS Translated Text] At least 10 devices that emit ionized radiation were stolen from one of the military units deployed on Kaliningrad Oblast's territory. Dmitriy Sorokin, head of the Kaliningrad Inspection for Radiation Safety Supervision, informed a STRAZH BALTIKI correspondent about this incident.

The theft was discovered during an inspection on the implementation of federal laws on nuclear and radiation safety in military units deployed in Kaliningrad Oblast. The inspection was warranted by Russia's Public Prosecutor's Office, and conducted by employees of the Military Prosecutor's Office along with specialists from the State Atomic Inspectorate. Criminal proceedings were instituted, and the investigation is being conducted by the Military Prosecutor's Office of the 11th Army Kaliningrad Garrison.

There is every reason to believe that all nine out of 10 stolen radioactive devices are identical with the ones confiscated from a former military commander detained by the Directorate of Internal Affairs in February of this year. He was "caught" in a forest near Chernyakhovsk and confined to an investigation isolation chamber. Probably, the former serviceman was not a great expert in the subtleties of the black market, for he tried to sell the "radiation" to an... operational officer. Even if he suspected something, he must have lost his vigilance.

The military commander tried to sell the device emitting strontium [Sr]-90 + yttrium [Y]-90 for $150,000. According to the price list of the "Izotop" military venture (that is, according to Soviet prices from 1987), his "commodity" is worth 60-75 rubles [R]. The device itself is tiny. It is about seven centimeters high, while its active element has a diameter of 1.5 millimeters and contains 36 millionth of a gram [as published] of the most active substance. On the source's surface, the radiation level amounts to about 10 milliroentgen per hour, which is an acceptable irradiation dose for a nuclear plant empoloyee. In this case, the confiscated device was in a container which protected from the danger of radioactive exposure. One may assume that this is how the offender secured the safety of both himself and the people surrounding him. Unprotected contact with a source of strontium [Sr]-90 + yttrium [Y]-90 for a longer period of time endangers human health as well as the health of future generations. It is probably worth mentioning that this substance is not a fissionable material. Therefore, it is impossible to use it for nuclear weapons production.

These sources are used for automatic signalling devices in reconnaissance vehicles belonging to the radiation, chemical, and biological protection services of Russia's Defense Ministry. It is the first detected case of such a major theft in Kaliningrad Oblast.

Ingushetia Demands Federal Rule in Prigorodnyy

LD2408161895 Moscow INTERFAX in English 1020 GMT 24 Aug 95

[FBIS Transcribed Text] NAZRAN, Aug 24 (INTERFAX) — Ingushetia's Popular Assembly (parliament) has again addressed the Russian leadership with a demand to introduce federal rule in North Ossetia's Prigorodnyy region.

The statement of the republic's parliament distributed Thursday [24 August] in Nazran says that "this is the single realistic way to return Ingushes who were deported as a result of the armed conflict in autumn 1992 to the places of their previous residence, to ensure citizens' security and to stabilize the situation in the region."

As Ruslan Pliyev, Chairman of Ingushetia's parliament, declared to INTERFAX, "the Ossetian party continues hindering return of Ingushes to Ossetia by all means possible" despite the agreement signed between North Ossetian and Ingush presidents Akhsarbek Galazov and Ruslan Aushev on July 11 this year.

"Unfortunately, all political means to resolve the problems caused by the 1992 events on the territory of North Ossetia's Prigorodnyy region used within 1993-1995 proved fruitless," Pliyev said.

Meanwhile, observers believe that settlement of the current smoldering Ossetian-Ingush conflict, pushed into the background by the events in Chechnya, is of equal importance for stabilizing the situation in the North Caucasus.

Internal Affairs Official Reinstated in Stavropol

LD2408212095 Moscow ITAR-TASS World Service in Russian 1510 GMT 24 Aug 95

[By Nikolay Styazhkin]

[FBIS Translated Text] Stavropol, 24 Aug (ITAR-TASS) — Colonel Mikhail Tretyakov, deputy chief of Stavropol territory's internal affairs directorate and chief of its public safety police, who after the tragic events in Budennovsk was dismissed by an order issued by former Russian Interior Minister Viktor Yerin, was reinstated in office today.

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At the territory's internal affairs directorate the ITAR-TASS correspondent was told today that the order reinstating Mikhail Tretyakov in office was signed by the present Russian Interior Minister Anatoliy Kulikov as a result of an internal investigation carried out by a commission specially set up by the ministry. It established that Mikhail Tretyakov could not have been guilty of a dereliction of duty aggravating the tragedy during the period of the attack on Budennovsk by Shamil Basayev's gang, because at the time he had been on leave outside Stavropol territory.

Within the next few days the operational investigative group of the Russian prosecutor general's office will complete its examination of claims that the bandits' passage through police checkpoints was facilitated by the negligent attitude to their duty by a number of Stavropol territory's police officials. The terrorists allege that some of the policemen accepted payments in dollars.

Back in June an order issued by former minister Yerin dismissed from the internal affairs bodies all the policemen manning the road block in the village of Zaterechnyy and relieved the chiefs of three district internal affairs departments of their posts. During the investigation charges were brought against 10 other policemen for ignoring an enciphered message to Stavropol territory from federal special services about the movement toward Stavropol territory of an armed pro-Dudayev group in heavy-duty vehicles.

Some senior officials of the territory's internal affairs directorate consider that the existence of this encoded message is not a sufficient basis for putting the entire blame for the bandits getting through to Budennovsk exclusively on the Stavropol police. The movement of the group that had been detected by federal special services had at the outset been passing through parts of Chechnya liberated from Dudayev's fighters and under control, where there were more realistic opportunities for the detected group to be halted and disarmed by the forces of Russian military and border subunits, they note. Later the group travelled in the same way, without hindrance, hundreds of kilometers through Dagestan, where nothing was done to avert the tragedy either.

Premier of Adygea Backs Economic Pragmatism

MM2408093895 Moscow SELSKAYA ZHIZN in Russian 22 Aug 95 p 2

[Article by Nikolay Pedan, prime minister of the Republic of Adygea: "Adygea My Love"]

[FBIS Translated Text] My motherland is located on the very picturesque slopes of the Caucasus chain that sweep down to the fertile Kuban plain. It occupies almost 8,000 square kilometers. It was on this territory that the Adygei created the Maykop culture, well known in world archaeology, and in the Middle Ages the famous Silk Road from Europe to Asia passed through here. We must not pretend that all this has been forgotten: If the heart remembers, the eyes can see.

Poverty and difficulties are different things. We are not poor, but things are still difficult for us. Are things easy for a "component" of a country that is endlessly changing its state system? Until 1924 Adygea was subordinate to Moscow, then for a decade it was subordinate to the North Caucasus and Azov-Black Sea Krays, and from 1937 it was subordinate to Krasnodar. "Dual" subordination did not always play a positive role, despite the fact that 80 percent of industrial production was under the jurisdiction of Russian central departments. While independent in words, in fact we were dependent to the point where the development of the social sphere was inferior to many nonautonomous oblasts. Today we are strengthening our statehood — as part of Russia, of course — and this spring we adopted the Constitution of the Republic of Adygea — a fruit of nationwide creativity.

The situation in the republic is complex. We are seeking new approaches, forms, and methods of overcoming the crisis. We have succeeded, in the main, in ensuring the population's supply of food and essentials and have arranged for the stable working of vital sectors of the national economy: gas, electricity, and water supplies. Need it be said that without this, both the introduction of market relations and economic development constitute an empty phrase?

We support those entrepreneurs who are capable both of taking a risk and of assuming responsibility. The "Lada" agricultural firm of Aliy Turkubiyevich Samatov is introducing new areas — the production and processing of output from a goose farm — and support has been given primarily to this collective.

The farmers have set a good pace, and this is a guarantee of the harvest and of the working people's wages.

We do not tolerate idle talk to the effect that 10 percent of the population — the future landowners and capitalists — will live in clover, while the rest, the masses, will be in servitude. "The rest, the masses," means the people, and the Adygei do not have superfluous people. Why must we tell Yu.Kh. Tkhaytsukov, leader of the "Giaginskoye" intersectoral fattening enterprise, how to work if his collective secures an average daily increase of up to 800 grams in the weight of young animals, if production profitability there stands at 66 percent, if breeding work is organized efficiently, and if modern technologies are being introduced? No, on a representation from us Yu.Kh. Tkhaytsukov has been awarded the

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Russian Federation Order "For Services to the Fatherland." Incidentally, in Adyge mythology Khakustasha, the patron of oxen, and Tkhagoledzh, the patron of farming, fertility, and the harvest, followed right after Tkha, the sun god, in the pantheon of the gods! So, may the god grant Tkhaytsukov and his collective continued success, well-being, and health.

In Maykop A.K. Yakuba, a competent, genuine entrepreneur-proprietor, has organized the "Rassvet" Limited Partnership. The collective specializes not only in producing but also in processing agricultural produce. They have commissioned a bakery and a mill. It is a strong, profitable enterprise. With 40-percent profitability last year they made a profit of 150 million rubles. In the dairy business N.N. Trufanov has the best indicators: His "Niva" agricultural enterprise in Maykopskiy Rayon ensures that the animals have a plentiful supply of feed on time and takes great care of the livestock. Here milkmaids are selected on a competitive basis. Most importantly, there are no grudges: If your work is not as good as someone else's, you give way to her. By introducing modern labor organization and intensive technologies, entrepreneur N.Kh. Tkharkakhov obtains a yield of over 50 quintals of grain crops per hectare. He is not going to join the so-called 10-percent elite of the chosen ones; he is concerned for the land because he is its son, a devoted and loving son.

The reader might think that the Adygei have withdrawn into mythology on their own territory and are "building communism in an autonomous republic." Nothing of the kind. We also go out "into the big, wide world," seek the best foreign technologies, and try them out. French technology, for example, for the cultivation of beets. It makes sense to take what is best from abroad, but why, esteemed readers, should we buy the most modern French technology if our own is no worse? We are Adygei. We think and choose. It is ignorant, shortsighted people who are always critical of their own. You must not dissemble with the Adygei, because our historical god is the Sun. When, in the clear light of reason, you analyze the options of market relations and a new way of life, then both ordinary working people and the republic's Council of Ministers can see that all available means must be used to promote production efficiency, to improve management, to expand sales markets, and to improve labor, technical, and financial discipline. But these tasks can be fulfilled only by the enterprises, entrepreneurs, and farmers themselves. This requires the government to resolve socioeconomic questions and the related problems of the cultural and spiritual sphere. We have already created conditions for free economic activity, enterprise, and labor, diverse forms of ownership with equal rights, their legal protection, and conscientious competition.

We see it as the purpose of agrarian and farming reform to find and educate the real master of the land. We will not gear ourselves to moaners. We do have such people, but they shed no light, and darkness is a bad guide for the people.

Moscow Mayor Seeks Economic Cooperation With KBR

954F3172A Nalchik GAZETA YUGA in Russian 18 Aug 95 p 1

[Article by Yuliya Vernikovksaya: "Yuriy Luzhkov: Trip to the KBR [Kabardino-Balkar Republic] Must Become the Dream of the Russian Tourist"]

[FBIS Translated Text] Yuriy Luzhkov came straight from the airport to the Exhibit of Achievements of the National Economy of the Republic, where a short press conference was held. Prior to this, the mayor of the Russian capital stopped in at Budennovsk, where the Moscow government had undertaken restoration of a hospital. In his words, Luzhkov was pleased with the course of the work.

Yuriy Luzhkov defined the purpose of his visit to Kabardino-Balkaria as follows: To see how the previously achieved agreements with the republic's leadership were being developed and implemented. Luzhkov is interested in cooperation with the republic in the sphere of agriculture and processing of agricultural products, as well as in "moving in the direction of developing tourism" in Kabardino-Balkaria. The Moscow mayor believes that Kabardino-Balkaria as a center of tourism must be used on a different level and with a different intensity, so that the dream of the Russian tourist would be not a trip to Cyprus, but here, to Kabardino-Balkaria. For this, in the opinion of the mayor, it is first of all necessary to do much to ensure the security of the region.

Moscow is also very much interested in deliveries of agricultural products. The capital leadership would consider normal prices on meat to be 9,000-10,000 rubles (R) per kilogram, and on butter—R14,000-R15,000. Moscow residents are also interested in cheese, sugar, grain, and especially, emphasized Yuriy Luzhkov, onions and garlic. The prospects for such cooperation have already been discussed at Luzhkov's first meeting with the leaders of the KBR, and now the talks are continuing.

Yuriy Luzhkov announced that the "Days of Kabardino-Balkaria" will be held in Moscow in October. This, in

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his opinion, will help the two peoples to get to know each other better.

Luzhkov also spoke of the need for rejecting national prejudices, and about the fact that the expression, "person of Caucasian nationality" is unacceptable for him. "Bandits," he said, "do not have a nationality."

Yuriy Luzhkov flew out of Kabardino-Balkaria on Thursday afternoon, after a day of intensive work. Not only Luzhkov, but also KBR President Valeriy Kokov, who announced this in an interview with journalists, expect positive results and specific undertakings to come of this visit.

Rakhimov Suing for Separatist Claim in Bashkiria

MM2508104495 Moscow TRUD in Russian 25 Aug 95 p 1

[Report from TRUD/ITAR-TASS/EAN roundup: "Rakhimov Intending To Take Shakhray To Court"]

[FBIS Translated Text] Ufa — President Murtaza Rakhimov of Bashkiria is intending to file a law suit against State Duma Deputy Sergey Shakhray in defense of his honor and reputation.

Rakhimov has qualified as absurb accusations that Bashkiria is separatist and wants to divide Russians into Christians and Muslims, and has denied reports of the training and financing of Dudayevist formations on republic territory. The Bashkirian president has stated that the question of withdrawing from the Russian Federation has never arisen in the republic. On the contrary, it has always consistently advocated strengthening Russia's unity.

In M. Rakhimov's view, S. Shakhray's assertion about citizens being counterposed on religious grounds does not accord with reality.

Campaign in Tula Against Starodubtsev Viewed

MM2408111995 Moscow SOVETSKAYA ROSSIYA in Russian 24 Aug 95 p 3

[Report by Zhanna Kasyanenko: "Sevryugin in Role of Solomon"]

[FBIS Translated Excerpt] [passage omitted] Tula and Tula Oblast have entered the election campaign. The city streets are "decorated" with impressive square hoardings campaigning for "Russia Is Our Home." The city's inhabitants are promised stability, order, safety, and prosperity. The city dwellers have already endured plenty of this from the Government in Moscow, which makes up the basis of "Russia Is Our Home," and from the local authorities, which this government has drawn into its orbit. To all appearances they are turning the screws hard. To all appearances a very specific task has been set: getting rid of possible rivals at any price and especially of those who are respected and known by the people — the people who henceforth and it must be supposed through the end of the election struggle, including the presidential election, are for them the "electorate" now. And that means that they must be used yet again, like a foolish virgin, duping them with fine words only to let them down them later.

Who in Tula presents the greatest difficulty for the "home builders?" There is no man more dangerous to them than Vasiliy Starodubtsev, chairman of the collective farm named for Lenin. He is also chairman of the "Novomoskovskoye" agro-industrial association and chairman of the Russian Agrarian Union and a deputy of the Federation Council. He was a supporter of the state committee for the state of emergency and a rebel. The past elections showed how irreversibly he is gaining votes. Why? He is a clever politician. A talented leader. He is known and trusted because he does not lie to people. The collective farm is solidly behind him even in the years of universal collapse and impoverishment. Moreover, the entire Novomoskovskiy Rayon, whose agriculture Starodubtsev essentially heads, on an unliberated basis works better than all the farms in Tula Oblast. What campaigning does this man need if the facts do the campaigning? If he were a demagogue, a slovenly idler, who would fear him, even if he were "red" or "brown" through and through? On the contrary, they would enter into an alliance with such a person to show the people the frightening face of the opposition. For the authorities today opposition members like that are like a birthday present. They safeguard and nurture them. Vasiliy Starodubtsev is another matter.

How to fight him? He can only be fought by depriving him of work and business and thus limiting his personal influence on the oblast. Business will suffer? Well, gentlemen, who takes points like that into account when it is a case of power, when the order is that votes must go to "Russia Is Our Home!"

As in the past when, at breakneck speed, without even bothering to try to think, they have rushed to fulfill what were sometimes the center's most idiotic orders, so today they have rushed to bring down Starodubtsev. There is nothing surprising in that: The people who are rushing to this "hatchet job" used to hold leading posts before, only they had different titles: CPSU cadres department sector chief or first secretary of a CPSU rayon committee.... Of course, they comprised everything. But our trouble is that they were not Communists. That is when the dynamite called the Gorbachev challenge blows up under the country.

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According to the rules for brainwashing the "electorate" the press was the first to be put to work. An article in TULSKIYE IZVESTIYA entitled "The Cat Has Abandoned Its Kittens" was designed to turn public opinion round 180 degrees. And journalist Altunin, who used to praise Starodubtsev, is becoming his denouncer. But my god, how obvious the text makes his previous position! My colleague is so inclined to speak of his achievements — and he does speak of them! After all, they do exist! But the emphasis is on "democracy": It turns out that his successes are by no means to Starodubtsev's credit but that they prove his guilt.

After light shelling, bigger guns are brought in: the farm leaders themselves. Work with them is subtler and seemingly more intimate. They are cursed for failing to this day to get hold of the main block of shares where farms have been turned into joint-stock companies. Today it is clear to everyone that this holding means 60-65 percent of the shares purchased from the collective farm population.

The leaders are being threatened: We shall organize a tax inspection or use other sanctions if you are so stupid. Well, it is clear that today some leaders could not care less if a tax inspection or the militia finds out how much went to buy a Mercedes or construct a palace for their mother-in-law.

That is the general widely practiced scheme for pressuring the refractory. Of course it did not emerge by chance but was carefully conceived and organized. First a man is flattered and a blind eye is turned to his "pranks" and he is allowed to do what in the past he could not even think of in the most terrible dream. Well, if a bird gets its foot stuck, it is in trouble. The deed is done: The man is controllable, obedient, and submissive. To save his own skin he will say what he does not himself believe, he will drown the person who once saved him and will bear false witness without fearing sin.

Tula Oblast Governor Nikolay Sevryugin has made a decision worthy of King Solomon: To put Starodubtsev in a corner to face him with the need to choose between the collective farm and the rayon. In chess this is called "the fork." To remove him from the ranks of the leaders of the agro-industrial association means getting ride of his influence on the rayon and the oblast. It must be supposed that everyone realized Starodubtsev would not abandon the collective farm. Since the "Novomoskovskoye" agro-industrial association has its own statute that states in black and white that its chairman should be someone who has not been released from his main work, Sevryugin is changing the statute. Just like that — without any legal red tape. Why be ashamed! By his 1 August decree is makes the following change: The chairman of the agro-industrial association can be someone released from his main work. That is in this context it quite unequivocally means it cannot be Starodubtsev. But the agro-industrial association members still have to discuss all this and approve it at a meeting.

Vasiliy Aleksandrovich says that he convened all the leaders of the farms belonging to the association for a talk. And what happened? Just one out of 21 turned up! It is not that people were too busy, of course not. Obviously it would have been hard to look him in the eye, hard to disagree with him. After all it is not a question of Starodubtsev. It is a question of the countryside. All the other rayons of the oblast where the former farms have been destroyed, broken up, and split into various joint-stock companies and partnerships have long been on their sides, as they say. But Novomoskovskiy Rayon is holding out! Here all the production indicators are far higher than in the other rayons. Here they even contrive to do something for people and have constructed the best hospital in Tula Oblast's rural rayons, they are erecting housing and have laid thousands of kilometers of gas lines. "As long as we all work together," Starodubtsev argues, "we can survive and feed the people!" They did not listen. Perhaps they did not want to?

Only Starodubtsev is at the threshold of the oblast — it is decided to convene an extraordinary meeting of the agro-industrial association members. Right now, during the harvest, why such haste? But there is a very important question to be decided: changing the statute in accordance with Sevryugin's decree.

And it was both curious and frightening to observe the people at this meeting. One was frightened for them and for how they would live in the future. After all, they cannot believe the nonsense which people tried with a clever air to deliver from the rostrum, accusing Starodubtsev of being undemocratic or working in five (?) posts and for some reason coping everywhere. "He is a fine chairman, he can open doors everywhere and they give him everything: fertilizers and fuel!" But who was actually preventing you from becoming fine chairmen as well, one wants to ask. After all, everyone had the same starting potential at that time 30 years ago when they had nothing but a diploma and a poor rural family.

It must be supposed that the presence at the meeting of the governor himself and his deputies and the chairman of the oblast property fund urged many people on. They sometimes uttered absurdities, blaming Starodubtsev, who in general is struggling with all his might against the collapse of the countryside and the country, for the fact that everything is getting worse, that no one needs

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pedigree livestock, that production profitability is falling and people are living worse and worse.

And although Starodubtsev himself has convinced people that the meeting is worthless, everyone has understood very well that a trifle like changing a few words in the statute is not a trifle at all. It is not a trifle if Starodubtsev himself has come. And it was obvious that there was a specific, well-prepared scenario. But the finale turned out to be unexpected.

In the end the necessary votes were lacking to change the statute on the governor's instructions. What a letdown! The Tula saboteurs drove away empty-handed in their foreign automobiles

What influenced the people who had been well trained and selected for this action? What forced them nonetheless to follow their conscience in the secret ballot? Far from all of them, of course. Over half remained loyal, but two-thirds of the votes were needed to adopt the changes. And those votes were lacking. Perhaps the passionate speech by Viktor Tarasov, former party city committee secretary, when he shouted out to the auditorium in frustration and despair: People, we have wrecked so much in this very auditorium with our own hands: the party, the soviets, and now we are wrecking the last thing — our village — what are we doing, people!

Perhaps someone shuddered because there was too striking a contrast between Starodubtsev, who essentially warded of all the attacks alone, and Sevryugin and company, although in actual fact this was by no means a contrast between two people or groups of people. It was a clash between two systems and ideologies. Someone on the side of the authorities blurted out: Well, so what, we have the highest milk yields in the oblast — who needs that now? "The country is on the verge of famine, the grain has not grown throughout Russia," Starodubtsev argued, "but we are playing political games here, we are surrendering our final positions. Who will feed the people?"

This time he emerged victorious. But the alarm remains. I am sure that the matter will not end here. The authorities' order must be fulfilled at any price: The chairman of the agro-industrial association has been removed, the farms themselves have been put under the hammer, the people have been brought to an extreme of poverty and fear. To that malleable state when anything can be molded from them: election results, a class of farm laborers, a tribe of hicks of unknown ancestry.

...That is how this long day began. And it was later that there were congratulations for Ilya Petrovich Shuvalov and meetings with the combine harvester operators and a return home.

What will we choose, which way will we go?

Left-Wing Bloc Formed in Voronezh Oblast

MM2508114695 Moscow SOVETSKAYA ROSSIYA in Russian 24 Aug 95 p 3

[Article by V. Korneyev, secretary of Voronezh Oblast Committee of Communist Party of the Russian Federation: "We Go Together"]

[FBIS Translated Text] Voronezh — Voronezh Oblast's left-wing and patriotic organizations have had sufficient time to ponder the results of the last elections. At that time there were several left-wing candidates in each district. The upshot was that, although they had a broad appeal and gained, all in all, the largest number of votes, in a number of districts they let their opponents come out in front. This happened both in the elections to the State Duma and, three months later, in the elections to the oblast duma.

In the fall of 1994, at the time of the by-elections for oblast duma deputies, the left-wing opposition adopted different tactics. The Communists' two oblast organizations (of the CPRF [Communist Party of the Russian Federation] and the Russian Communist Workers' Party) managed to agree on a division of the city districts and, even if they did not act in unison with each other, at least they did not throw out their own people to please others. The results proved more than successful.

Now there is this problem once again. How to go into the elections? Particularly those for the State Duma, in which the Communists, the agrarians, the trade unions, and "Derzhava" are all acting independently on the federal lists.

Active discussion of this problem began back in April. The upshot was that they came to the realization that the federal lists are one question: Here everyone must occupy his own niche, proceeding independently, under his own flag.

The single-seat districts are another matter. There are just four of them, but there are over 10 movements that are close in spirit. In the end, they decided: We go together!

In this way a left-wing election bloc appeared. The oblast organizations of the CPRF, the Agrarian Party, the Cooperative Party, the Agrarian Union, the trade unions, the Komsomol [All-Union Lenin Communist Youth League], the "Derzhava," "Realists," and "Creation" movements, the unions of veterans and officers, the RUSS [expansion unknown] society, and a number

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of other movements and organizations agreed on joint actions in the elections. In the course of joint work, involving debates and mutual concessions, they drew up an agreement on joint principles and demands. There are 13 of them, and some wits at once announced: "A devil's dozen."

This depends on whom they are meant for! What if they are not meant for those who worked out all this but for those who somewhat earlier held the conference of "Our Home" ["Svoy dom"]? Suppose these 13 are a gift for them?!

What specifically does the program of the "Power to the People" bloc contain? The left-wingers are united in that they will wage a struggle for people's power, for the government to be under the control of parliament, for the Belovezhskaya Forest agreements to be deemed illegal, for the return of property to those who created it by their labor, and for the return of the savings embezzled by the Yeltsin-Gaydar government. The agreement devotes great attention to working people's social guarantees or, rather, to their restoration in the numbers that existed prior to the destructive "reforms."

Both the Communists and the agrarians were united on the land question: Land must remain the property of the people, not of private individuals.

All the parties and movements agreed that the problems of the country's defense capability and security, of raising the level of citizens' protection, and of increasing attention to the needs of the Army and of law enforcement organs must be within the field of vision of everyone who has the courage to shoulder a deputy's burden.

The first step has been taken toward united action in the elections. The second step is still to come: an agreement on the procedure for cooperation in the districts during the period of nominating candidates and during the elections. It will not be that easy to work out unified rules of play, for it will be necessary to find a mechanism for nominating just four candidates for each district.

The bloc's four leaders received general approval. If only it were the same with the candidates! The bloc is headed by Oblast Duma Chairman I.M. Shabanov. The following have been elected cochairmen: A.V. Ovchinnikov, leader of the oblast's trade unions; G.V. Kostin, member of the CPRF Central Committee Presidium and a "red director" well known in the oblast and in Russia; and A.I. Miroshnichenko, leader of the Agrarian Union in the oblast.

The year-long election marathon has begun in Voronezh. Television viewers saw this for themselves when, two days after the meeting of the "Power to the People" left-wing electoral bloc, a representative of the oblast administration decided to fling mud at its leaders. A salvo was fired at Shabanov and Kostin. I do not think the others will have long to wait for their "welcome." But, as the saying goes, the ball is rolling!

Kabardino-Balkaria To Nominate NDR Candidates

954F3172C Nalchik GAZETA YUGA in Russian 18 Aug 95 p 1

[Article by Zarema Khadartseva: "Georgiy Pytov: Construction of 'Russia Is Our Home' Should Not Lead to Destruction of Our Home—Kabardino-Balkaria"]

[FBIS Translated Text] The first stage of the congress of the socio-political movement, "Russia is Our Home," will be held on 2 September in Moscow. The federal list of candidates to the State Duma of the RF [Russian Federation] from the NDR ["Russia Is Our Home"] and the candidates for the single-mandate districts will be ratified at this meeting.

As the chairman of the republic section of "Russia is Our Home," Vice-Premier Georgiy Pytov, told a GAZETA YUGA correspondent, three persons will be nominated to the federal list from Kabardino-Balkaria, and one candidacy will be presented in the single-mandate district. The candidates to be nominated will be determined by secret ballot at the conference of the local section of the NDR, which will be held on 27-28 August.

Immediately after the conference, the "Our Home" section intends to hold a "roundtable" discussion with all social and political organizations of the KBR, so as to ensure general support for NDR candidates to the State Duma. "I am convinced that we will find a common language both with the communists, and with the agrarians, and with the Cossacks," emphasized Georgiy Pytov. "We have qualified people who are capable of reflecting the interests of all groups of the population. After all, the matter is not one of political affiliation, but of the manner of thought. If a person speaks out in favor of stability, he will be supported by any sound-thinking party. The elections must not become a reason for clashes between political parties. The construction of 'Russia Is Our Home' should not lead to the destruction of our home—Kabardino-Balkaria."

Georgiy Pytov also announced that, at the first stage of the NDR Congress, which reviewed the program and platform of the movement, an editorial commission was named, which included the co-chairman of the Committee on Inter-Ethnic Relations of the KBR Parliament, Mukharbi Ulbashev. He has been given the task of defending the interests of the republic, since not everything

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in the section of the NDR program which concerns the national question suits the representatives of Kabardino-Balkaria. At the same time, Georgiy Pytov noted that, "we have put an end once and for all to the idea of provincializing the republic."

[Editor's biographical note] Georgiy Pytov is 58 years old. He is a candidate of technical sciences, graduated from the Moscow Institute of Light Industry. He is married and has two children.

Tatarstan Opposition Unlikely To Join New Council

MK2508090895 Moscow KOMMERSANT-DAILY in Russian 24 Aug 95 p 3

[Report by Andrey Gogolev: "If the Opposition Does Not Give In, They Will Be Tamed"]

[FBIS Translated Text] The oppositionists of Tataria, who have suffered not a little from the "stick" of the incumbent authorities, have finally gotten a chance to partake of the presidential "carrot." In the run-up to the December parliamentary elections, Mintimer Shaymiyev's staff has drafted a plan for the creation of a public political council under the republic president. True, opposition representatives themselves like the proposed "poor peace" with the president much less than the current "good quarrel."

Espousing the idea of creating a standing discussion council to ensure the interaction of all political forces in Tataria, which was put forward in its time by the opposition, the presidential administration has sought to secure the new body as far as possible against manifestations of political free thinking. Under the draft, political movements represented on the council are to dissolve into the far more numerous company of ethnic-cultural, religious, and professional organizations loyal to the authorities. Furthermore, the council is open only to those political organizations which are registered with the republic Justice Ministry, while the greater part of the opposition parties and movements have only city- or rayon-level legalization.

Naturally, there was no way its authors could take a liking to such a loose interpretation of the oppositionists' long suffering idea. Robert Sadykov, a communist leader, described the proposed council as "an amorphous organization called upon to serve as a screen for the actions of the bureaucratic apparat." Vladimir Velyayev, co-chairman of the opposition People's Councils [Soviets], speaking in an interview with your KOMMERSANT-DAILY correspondent, was even more categorical: "As long as the majority in this body is constituted by the authorities' stooges, as represented by unions of writers, composers, friendship societies, and so forth, instead of a purely political council it will be an entertainment club of sorts." So far only the pro-presidential Unity and Progress bloc and the local PRES branch have shown a readiness to cooperate with the presidential council, while the other opposition organizations still refrain from this. True, in this event it will be even easier for the authorities to come to terms with the organizations that will have joined the council.

Zhirinovskiy Opens Election Campaign in Far East

LD2408164495 Moscow ITAR-TASS in English 1556 GMT 24 Aug 95

[By Leonid Vinogradov]

[FBIS Transcribed Text] NAKHODKA, August 24 (ITAR-TASS) — Leader of the Liberal Democratic Party of Russia (LDPR) Vladimir Zhirinovskiy is one of the first runners in this year's elections to the State Duma lower house of parliament to launch his election campaign in Russia's far eastern free economic zone "Nakhodka."

On Thursday, hundreds of posters with Zhirinovskiy's portrait and a quotation from one of his speeches reading "I will make Russia rise from its knees" were displayed at locations where crowds usually gather in the city.

Zhirinovskiy, who was among the most popular contestants of a seat in the Russian State Duma here during the last elections to the lower house of parliament, appears to hope that he will muster sufficient support on the Pacific coast again.

ITAR-TASS has received word that Zhirinovskiy had chosen the Nakhodka free economic zone as the starting point of his wide-scale campaigning. His envoys had visited the area earlier for talks with local supporters of the LDPR.

NK Workers Exploited in Far East; DPRK Viewed

MM2508094495 Moscow IZVESTIYA in Russian 23 Aug 95 p 5

[Article by Boris Reznik: "The Secrets of the Private Residence on Ulitsa Dikopoltseva. What Is Concealed 'Under the Roof' of the DPRK Diplomatic Institution in Khabarovsk?"]

[FBIS Translated Text] Far East — The old brick house in downtown Khabarovsk at 46 Ulitsa Dikopoltseva, whose windows are barred, their special frosted glass safely hiding the life of its inhabitants from the outside world, houses the DPRK economic mission. It was established just under five years ago under a not-altogether-literate and completely incoherent protocol signed by V. Yaroshenko, then RSFSR minister for foreign economic affairs, and DPRK Foreign Trade

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Minister Teng Song-nam. The peculiar features of the document are that it apparently has no expiry date, and no provision is made even for extending it.

As for the aims of setting up the mission, judge for yourself. Here are the main points of the protocol, "in plain Russian," keeping the spelling and the style. "To manage and administer workers who are posted to and work at DPRK-RSFSR cooperation facilities. To represent their mutual understandings on all questions arising in economic cooperation and trade relations."

No other goals are defined by the truncated protocol, although it is stipulated that "the representative and his deputy have special diplomatic rights and privileges, and the building of the economic missions enjoy privileges and immunity."

Of course, the establishment of the mission, even though it was called an economic mission, pursued purely political tasks: "Aiding the fraternal Korean people, who are successfully building socialism...." For many years this aid not only lacked any economic basis but quite simply went far beyond all reasonable bounds. For almost three decades an army of North Korean laborers — they numbered up to 20,000 — destroyed all life in the Far East taiga. Simply because their workers were "buzzing away" with our "Druzhba" power saws, cutting down the age-old timbers, we gave the Korean side half of the wood felled in this way. But it was, after all, in our taiga that they also procured soft resin, wild herbs, and ginseng and other medicinal plants and slaughtered musk-deer and the rare sable known as "Yakutsk Ridge," sharing none of this with us....

However, the mission of which we are speaking has nothing to do with so-called "joint timber procurement": Besides this mission there are two large DPRK timber-cutting missions operating on the territory of Khabarovsk Kray, which have everything up to and including their own security services and temporary prisons where they keep members of the labor army who have committed offenses. The officials of the economic mission — who number 15 or more — have other, "specific" tasks which they do not divulge. All the same, let us try to glance behind the stone walls of the private residence on Ulitsa Dikopoltseva.

Business, North Korean-Style

It is clear from the protocol on the institution of the DPRK mission that it is not vested with the right to engage in business. It is not registered as an entrepreneurial entity in the statistics administration, the Khabarovsk Customs Office, the tax organs.... However, the outwardly respectable comrades with the "Great Leader" badges on the lapels of their service jackets and with diplomatic passports in their pockets behave like fairground tricksters, shamelessly "upending" their gullible partners while declining all responsibility.

Take contract No. ER-93-108 of 15 October 1993, signed by Mikhail Nikiforov, director of the Khabarovsk "Ekolog" Production Association, and Choe Chang-kyong, deputy leader of the DPRK economic mission, for the delivery of 476 tonnes of steel channel bars. Let us leave aside the question of whether steel, which is in short supply, really clutters up the environment so much. "Ekolog" undertook to rid our native expanses of it so assiduously that it even forgot about laws and other niceties.

The channel bars were intended for a certain Chinese firm, but for some reason the North Korean mission acted as the buyer. Recording in the contract that "the economic mission will pay $31,000 in cash in advance and will hand over the remaining sum of $102,280, also in cash, in Khabarovsk when the 476 tonnes of channel bars are unloaded in the Chinese port of Tongjiang," both the buyer and the seller knew that they were completing an illegal deal. And perhaps it would have remained a secret, like hundreds of similar deals, if the Korean partners had not swindled "Ekolog." Having handed over the $31,000 prepayment, they flatly refused to pay the remaining sum, although the metal was shipped to China on time.

The swindled "Ekolog" officials went running to the authorities, who quite reasonably told them: "Trade activity and brokering do not figure among the DPRK economic mission's obligations. This establishment does not even have accounts in our banks, so there is nothing to deduct money from. But the actions of citizen Choe Chang-kyong do carry the hallmarks of a criminal offense under Article 147 of the Russian Federation Criminal Code (fraud), so go ahead and institute criminal proceedings against him...."

Naive advice, since Choe Chang-kyong has a diplomatic passport, which securely protects him from clashes with our laws.

The "Ekolog" affair is only an episode in the extremely extensive, and equally dubious, commercial activity of the DPRK mission in Khabarovsk. According to the testimony of local businessmen, Korean diplomats earn a living by reselling our resources to third countries in the Asia-Pacific region. They place an especially high premium on metal, but they also deal in glass, woodpulp, beech, hornbeam, machinery.... How do the local authorities treat it? They apparently do not know that such a mission exists in the kray center. At any rate, this is the information I received from the kray administration international protocol service: "...The

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DPRK economic mission in the city of Khabarovsk has not applied for registration with the international protocol service and has not presented any documents certifying its right to carry out commercial activity."

A paradoxical situation, is it not? We have somehow moved from one set of extremes to another, without even realizing it — from bonehead regulations and humiliating and vigilant scrutiny of every single foreigner, to the complete mayhem wrought by some of them nowadays on land not their own.

Occupation — "Scarecrow"

Can you imagine a situation in which a Russian citizen crossed the DPRK border without an invitation and proceeded to wheel about the country freely, met and accompanied by no one? No, of course not. Even in totalitarian times we never even dreamed of the strictures applied to foreigners residing in the country that exist in the DPRK. Yet citizens of that country travel about here as if — well, you wouldn't say as if they were at home, because in their home, such a thing is certainly not the practice.

Any citizen of North Korea can cross our border just by showing a passport, without any explanation as to why he is coming, who invited him, or where he will be staying. The functions of the receiving side have been arbitrarily and unceremoniously assumed by...the economic mission. Yes, yes, the very same, on the Ultisa Dikopoltseva — the North Korean Economic Mission. A mission registered nowhere, certainly not at the Russian Foreign Ministry, it nevertheless fills out, in its own namé, the relevant documents granting its citizens authorization to travel throughout Russia. How many of these citizens there are, where they are staying, and what they are doing — no one knows.

We have already mentioned the intergovernmental agreement, in force for almost three decades now, between our country and the DPRK on joint timber procurement on the territory of the Russian Far East. Reports about the slave labor conditions and the disfranchised existence suffered by citizens of the "Land of Morning Calm" in the Far East taiga prison camps known as timber industry enterprises have been carried in the press worldwide. The last agreement expired 18 months ago, and the signing of a new one was in great doubt: It was clearly awkward for our government to ignore public opinion and allow such blatant violation of human rights on our territory. Once again the sense in having North Korean timber cutters residing in the Far East taiga was becoming less and less obvious, because they had reduced the volume of timber production almost fivefold. And yet in February this year an agreement was signed again for a period of five years.

Today 2,300 DPRK citizens are registered in the system of the "Urgalles" association alone. Registered is the word, because they cannot be said to work. Since the beginning of the year North Korean workers have felled only around 40,000 cubic meters of round timber. It does not take five timber enterprises to fell that quantity — one small area of forest with 100 workers would suffice.

What are these strangers doing on our land? An answer to this question is given in a document prepared by the kray's internal affairs administration: "The urgency of the question of Korean citizens residing on Khabarovsk Kray territory is dictated by the reduction in the volume of timber felled and the lack of adequate employment for DPRK citizens, which has led to their use in various commercial structures throughout the kray's territory. Thus DPRK citizens are being employed as laborers, without a legal basis or the permission of the Russian immigration services, in the following enterprises: Thirty-four in the 'Suluk' private enterprise, six in the 'Rossiya' private enterprise, 15 in the 'Marketing' firm...." The list is long, and far from complete.

It probably does not feature the four DPRK citizens whom I encountered recently in a picturesque settlement on the banks of the Amur. This place had caught the eye of moderately prosperous Khabarovsk businessmen, who had decided to build out-of-town private residences here. The owner of one almost finished house invited us to look over the building. Gates opened in response to our prearranged knock, and behind a tall fence we were greeted by the savage barking of several Alsatians and by four Koreans in worn black shirts displaying Kim Il-song badges.

"These guys built it," the host explained proudly, pointing to his serfs. "And do you know how much I pay them: Fifty thousand rubles each a month. When the work is finished, if they do everything properly, I have promised them a basic washing machine each."

The Vladivostok newspaper NOVOSTI tells of five North Korean citizens who for mere kopeks contracted to grow vegetables for a Maritime Kray "big" businessmen on four hectares of land which he had leased. For the whole season from spring through fall the "new Russian" offered them 200,000 of our Mickey Mouse currency each, and also set a condition: The yield had to be the maximum, and the Koreans were to see that the crops were not harmed by our feathered friends. The guest workers drew lots, and it fell to Li Kung-hi, in addition to the other tasks, to work as... a scarecrow. Day

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and night he chased about shouting threats at the very occasional bird that passed by, the newspaper writes.

This is the sort of "economic cooperation," if we can call it that, that is developing between our countries; this is how officials of the strange DPRK mission, hidden behind the thick walls of an old Khabarovsk private residence, "control and manage" their specialists and workers.

Economic Issues

Reportage on Interbank Currency Market 'Crisis'

Kazmin: No Need To Panic

LD2408203095

[FBIS Editorial Report] Moscow NTV in Russian at 1800 GMT on 24 August broadcasts a two-minute report from the "Segodnya" newscast by correspondent Tatyana Mitkova on the major Russian banks, who practically halted operations on the interbank currency market today, which may wreck the country's economic reforms.

Deputy Russian Finance Minister Andrey Kazmin is asked to comment. Speaking in an office, he says: "The day's news, at any rate in Moscow, is of a certain tension on the interbank market. Many commentaries have been heard about it and there have been many fraught phone calls. First of all it is the commercial banks who are worried — one can understand it. Widely differing versions of what happened are being put forward, from accusations against certain malicious defaulters to the organization of deliberate antistate sabotage, that our country's market is nervous. In this regard, the head...[pauses] there are gloomy predictions about the existence of the banking system in general and the interbank market and the state securities market."

"I should say that the Finance Ministry is following this process quite closely — it deteriorated quite quickly over the course of the day. We have an understanding of the causes of what happened, regarding both individual banks and banks on the whole. The situation is serious and it would not be right to hide that seriousness. But to talk about some crash in the banking system would also be irresponsible. The situation is serious but there are no grounds for a mood of panic."

Toko Bank: CBR Must Stop Rising Crisis

LD2408202395 Moscow INTERFAX in English 1857 GMT 24 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 24 (INTERFAX) — The Central Bank of Russia can and must stop the crisis arising in Russia's banking system, the president of one of Russia's biggest banks, Toko Bank, Vyacheslav Khokhlov, told INTERFAX Thursday.

"The CBR should play its role of last-instance creditor," he said. According to Khokhlov, the CBR should free the available reserves.

"The CBR should grant loans under the amounts that commercial banks compulsorily reserve with it. It is necessary to urgently give the market a large amount of rubles," he underlined.

Khokhlov pointed out the need for immediate mutual settlements between banks.

"The principle of dominoes shows clearly in the banking system; if one bank is shaking, this will painfully hurt many other participants of the banking community," he said.

Government, CBR Work To Overcome Crisis

LD2508091795 Moscow ITAR-TASS in English 0851 GMT 25 Aug 95

[By Gennadiy Rokhovetskiy]

[FBIS Transcribed Text] MOSCOW, August 25 (ITAR-TASS) — The government and the Russian Central Bank take measures to overcome a critical situation which developed on the Moscow interbank market last Thursday, Russian Vice-Premier Anatoliy Chubays said in an exclusive interview with ITAR-TASS here on Friday.

The Central Bank purchased 600 billion roubles worth of securities on the open market already on Thursday, as a result of which the rate of one-day credits dropped from 1,000 per cent to 150-200 per cent on the same day, the vice-premier stressed.

Chubays noted that the Central Bank will continue today purchases of securities on the open market and will provide adequate short-term crediting to commercial banks to settle completely banking non-payments.

The vice-premier claimed that the situation on the market of state short-term obligations is now stable. No changes are expected in profitability of this sector of the financial market.

The government agreed with the Association of Commercial Banks to hammer out a range of medium-term measures. For this purpose, an interdepartmental working commission will be set up with participation of representatives from the government, the Central Bank as well as commercial banks, Chubays said.

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Yeltsin Aide: State Can Localize Crisis

LD2508074395 Moscow ITAR-TASS in English 0728 GMT 25 Aug 95

[FBIS Transcribed Text] MOSCOW, August 25 (ITAR-TASS) — Aggravation of the banking crisis will lead to a sharp change in the correlation of forces not only among medium but also among major Russian banks, Mikhail Delyagin, head of the economic problems group at the Russian president's analytical department, said in an interview with BUSINESS-TASS here on Friday [25 August].

According to Delyagin, the situation in the banking system will improve, banks working skillfully on the market will strengthen their position, while unreliable banks will be sharply weekend or will loss their independence.

The expert stressed that the state preserves, for the time being, real opportunities to localise the banking crisis as well as to prevent its aggravation and negative influence on the national economy.

Delyagin noted that the crisis affected only medium banks and, consequently, does not threaten the banking system as such. Acting chairman of the Central Bank Tatyana Paramonova also denied the presence of a systematic crisis in the banking sphere at a meeting with journalists on Thursday.

According to earlier reports, the Moscow interbank market stopped on Thursday all operations due to apprehensions over insolvency of banks for the first time since the start of market changes in Russia.

Operators on the interbank market note that this concerns 100 banks whose solvency is in doubt.

Commenting on the present situation at the request of BUSINESS-TASS, a representative of a major bank who did not want to be identified, said that the Central Bank of Russia should say its weighty word under the present situation.

It should use available financial reserves to prevent a banking crash.

BUSINESS-TASS learnt from reliable sources that major banks as well as the Association of Russian banks are expected to make statments on the present situation on Friday.

Paramonova on Currency Reserves

LD2408180995

[FBIS Editorial Report] Moscow NTV in Russian at 1500 GMT on 24 August broadcast during the "Segodnya" program a two-minute report by correspondent Vadim Glusker on a news conference held by Tatyana Paramonova, acting chairwoman of the Russian Central Bank, in which she reports on the Central Bank's currency reserves.

"On 1 July, the Russian Federation's gold currency reserves were $12.4 billion, including hard currency reserves of $10.1 billion and gold of $2.3 billion," Paramonova says. While the country's gold reserve have fallen by $700 million over six months, a 250 percent increase in hard currency reserves means that the situation is stable, she continues. This is a significant consideration in the decision of the government and Central Bank to extend the exchange rate corridor for the ruble to the end of the year, Glusker reports.

Asked about the possible departure of several Moscow banks from the foreign currency market, Paramonova says: "If such competent sources say that such a move is being prepared, then we also will like, perhaps, to speak to these competent sources and I do not know if it is a preplanned move, but it will be unfortunate not so much for the Central Bank, but for the country's economy and for the banking system above all."

Exchange Rate Restrictions Extended Until New Year

LD2408173195 Moscow INTERFAX in English 1534 GMT 24 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 24 (INTERFAX) — Exchange rate restrictions allowing the dollar to fluctuate between 4,300 and 4,900 rubles have been extended till the end of the year. The decision was made jointly by the government and the Central Bank of Russia.

The restrictions were set until October 1 under a resolution the government and the CBR adopted on July 5.

First Deputy Prime Minister Anatoliy Chubays told a news conference in Moscow Thursday that as it made the decision to prolong the term of restrictions, the government proceeded from the need to keep the currency market stable and protect the interests of domestic producers and the population.

The government and the CBR guarantee the freedom of buying and selling foreign currencies in the home market under the current legislation, Chubays said.

He said that the exchange rate restrictions had allowed to reduce speculation in the currency market and channel money into production.

Chubays said that since the currency rate restrictions took effect, the volume of currency operations in the

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exchange had reduced from $1 billion to $300 million - $400 million.

He promised there would be no more Black Tuesdays or other financial upheavals in Russia till the end of the year.

Chubays said that the government had decided to declare its currency policy commitments in advance to facilitate the work of exporters.

As he answered questions, Chubays said that the currency restrictions helped protect the interests of exporters and prevent the dollar's fall below 4,400 rubles per dollar.

About the likely response of currency dealers to the government and the CBR's decision Chubays said that they had no real chances of breaking the restrictions and playing on the dollar's fall. At the same time Chubays agreed that the dollar's slight rise would have a favorable effect on the economy.

Exchange Rate Band Scheme Hurting Exporters

MM2408111795 Moscow IZVESTIYA in Russian 24 Aug 95 p 1

[Report by Yelena Yakovleva: "Exchange-Rate Band Could Drive Our Exporters to the Wall"]

[FBIS Translated Text] The middle and end of August in the small Urals town of Solikamsk have been marked by increased activity by the local tax services. The tax inspectors were put on their guard by the abrupt decline in the tax payments to the local budget by certain enterprises — for instance, payments by the Solikamsk Magnesium Plant were almost nine-tenths down.

While the inspectors were looking for the plant's hidden profits, the plant was looking for a way to most effectively demonstrate to the public the "black hole" down which its profits have disappeared.

The "Solikamskiy Magniyevyy Zavod [Solikamsk Magnesium Plant]," "Silvinit [Sylvinite]," and "Solikamskiy Tsellyulozno-Bumazhnyy Kombinat [Solikamsk Pulp and Paper Combine]" Joint-Stock Companies — which can be said to be the three most important enterprises in Solikamsk — and the "Avisma" and "Uralkaliy" Joint-Stock Companies (two similar associations in the neighboring town of Berezniki) have fallen victim to the "exchange-rate band." The fact is that they sell virtually all their output abroad (the exception being the pulp and paper combine, which exports around half its output) — they live off their exports, which give life to their cities.

With the introduction of the "exchange-rate band" these enterprises have methodically lost profits by building up production, and in September their profit and expenditure curves crossed over, tipping them into loss. According to Olga Leonova, financial director of the Solikamsk Magnesium Plant, the plant is already suffering monthly losses of 7 billion rubles [R] from the introduction of the "exchange-rate band", while the figure for the "Silvinit" Joint-Stock Company is R20 billion.

Within the "exchange-rate band" the dollar is falling nicely, but everything else, ignoring this seemingly happy sign for the Russian economy, is getting noticeably more expensive. Thus, power tariffs are up 50 percent, rail tariffs are up 30 percent, leasing charges for rail cars are up 180 percent, and raw-material prices are up 200 percent.

The plants have ceased to understand the rules of the economic game being played by the government. If the "exchange-rate band" is of vital importance for the Russian economy, then it should exist — but in that case the products of natural monopolies (oil, electricity, the railways) should be "tied" to the dollar rather than indexed against inflation as they are at present. If the government is unwilling or unable to do this, it should abolish the "band."

Meanwhile, the definite level of complacency about the problems of exporters is due to the uncertain attitude taken toward them.

Most Russian exporters are, as a rule, either exporters of raw materials — oil, gas, timber, or environmentally harmful products such as metals or mineral fertilizers. Thus, it is as if they are fatally paving the way to Russia as a "raw materials appendage," a "country with dirty production."

Ideally, of course, it would be better to export not Solikamsk magnesium but high-quality steel, cleaned using magnesium. But, unfortunately, we do not have such cleaning technology. Although things are not hopeless even in this area — the Samara Aircraft Plant, for instance, has found its niche market (once again in the West), is planning to produce light aircraft, and will urgently require Solikamsk's magnesium.

Of course, it is sad that we predominantly export timber, oil, and magnesium rather than furniture, tractors, and aircraft. But, on the other hand, we do have islands of "life" — production facilities that are working full tilt and are ready to switch smoothly to supplying the domestic economy once the effective demand is there.

The idea that exports infringe the interests of Russian consumers is not always justified. Thus, Russian kolkhozes buy just 2.5 percent of what is mined and processed at the "Silvinit" Association's mines.

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Yet exporters have fought (or are fighting) a pretty tough battle in the world market.

The same magnesium plants — Solikamsk and "Avisma" — entered the foreign market at a time when the country's accumulated magnesium stocks were being dumped en masse. Moreover, this uncontrolled dumping drove the price down sharply and, ultimately, the profits of Russian magnesium producers with it; even so, the world community was preparing to introduce tough antidumping measures against the plants. Thanks to a firm stance and a good lawyer the two plants managed to fight off all the rayon center's claims and defend themselves against the antidumping measures.

If these plants start working at a loss in September, they will withdraw from the world market, and those losses will be hard to recoup.

Maybe oil and gas producers have a thicker "profits cushion" and the government has calculated that they will easily withstand the consequences of the "exchange-rate band." But the Solikamsk and Berezniki directors are sure that their enterprises are suffering unfairly.

Official Cited on Progress of Privatization

MM2508083495 Moscow ROSSIYSKAYA GAZETA in Russian 24 Aug 95 p 2

[Interview with Yuriy Zverev, deputy chairman of the Russian Federal Property Fund, by Aleksandr Klimov under the rubric "Privatization"; place, date not given: "We Have Bought the Plant, It Remains Only To Collect the Money"]

[FBIS Translated Text] Yuriy Zverev, deputy chairman of the Russian Federal Property Fund, tells us how the second stage of privatization is going.

[Zverev] The pace of sales set by check privatization was not maintained, and there has been a slump. This is perfectly explicable, because new rules of the game and new approaches have emerged.

[Klimov] What are they?

[Zverev] The seller must be more skillful. Workers of the Russian Federal Property Fund and the kray and oblast property funds must carefully track market conditions. In addition to the usual sale methods — auctions and investment competitions — during the monetary stage [of privatization] there is another method designed partly for small investors: a specialized monetary auction, a counterpart to the check auction. Anybody can take part in it. "Rostelekom" has just been sold off. This is nothing like "MMM" or the other financial pyramids. It is quite clear that such investment will not only be recouped, it is bound to yield a profit. Whether a big one or a small one is a different matter, let everyone make up their own mind.

This year, 165 of these specialized auctions have been held. Since late May we have begun to hold interregional and Russian auctions. "Rostelekom" was a Russian one....

In September we are planning to sell off the "YeES" ("Unified Power System") Russian joint-stock company. Another very attractive flotation. Clearly, in late September or October we will begin to sell off certain oil companies. Commentary is superfluous here, so to speak.

[Klimov] So the first enterprises to be sold off were not overly profitable?

[Zverev] You could say that. When an enterprise which would be unlikely to fetch a high price is put up for sale at a specialized monetary auction, there is no point in expecting the money to roll in. The population will not come flocking, and it will be right not to. I too would not advise it.

The real money will come from the sale of enterprises that are truly worth a lot. An ordinary auction was held in July and a little over 1 percent of the "YeES" Russian joint-stock company was sold off. This will yield approximately 38 billion rubles [R] for the budget. Quite a good result.

In the first half of July alone there were 191 sales of Russian enterprises. And I think the trend is positive. The number and size of the sales will begin to increase in September. But it should not be forgotten that the money usually comes in with a slight lag. In other words, if we sell in September, the money can be expected not even in October but in November. The point is that different sales have different deadlines for concluding the contract, sometimes up to one month, and after that the payment is made. After all, legislation has to take into account not only our interests but those of the purchaser. When he enters the competition, he has collected some of the money, but usually not the whole sum. What if it is a considerable sum, say R1 billion? He has to raise the rest from somewhere....

[Klimov] So far as I am aware, foreign investors often operate via front companies. What is your view of this?

[Zverev] The point is that foreign investors are afraid of our legislation, and they make no secret of this. Resale is a secondary market, and the law here is simpler than it is in privatization. There is no need to wait for Federal

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Counterintelligence Service conclusions, and there are fewer other restrictions too.

The people who worry that the West is going to buy up the whole of Russia are worrying in vain. Foreign investors are exceptionally cautious in moving in here. They will obviously invest in oil companies. But probably only after the elections in December of this year and July of next, when there will be a degree of stability. In other words, when there is a clear policy for the next five years.

[Klimov] What is the situation like in specific regions?

[Zverev] There is a difficult situation in our republics — Bashkortostan and Tatarstan. They have their own laws. The situation is easier in the autonomous okrugs. Krays and oblasts are working better. More successfully in some places, less in others. Nevertheless, gradual, systematic work is under way. No job goes smoothly, and questions of ownership are always difficult. Nevertheless, the important point is that nobody is going to say tomorrow "Nationalize it!" or "If you haven't done so by 1 September, there can be no more privatization!" That is not going to happen.

Rosugol Company Director on Coal Industry Prospects

MK2508074495 Moscow KOMMERSANT-DAILY in Russian 24 Aug 95 p 9

[Report by Aleksey Sukhodoyev: "The Branch Will Exist. It Is Just Not Clear in What Form"]

[FBIS Translated Text] Yuriy Malyshev, general director of the Rosugol state company, devoted virtually all of yesterday's press conference, timed to coincide with the professional holiday of miners — Miners' Day — to delivering an upbeat report on the sector's performance over the past year. The performance indicators for the period "from holiday to holiday" show that the coal industry has begun to operate normally. It is not clear, though, in which form it will continue to exist.

Indeed, if one looks at the structure of the coal enterprises' authorized capital, one will see that the Rosugol state company controls the state-owned blocks of its shares, and only its leadership may have an impact (in this instance, a positive impact) on the operation of these enterprises: on the stabilization of extraction levels (the current decline is attributed exclusively to the costs of restructuring), streamlining the structure of state support funds, and promoting the mine rehabilitation and closure program. The declared reorganization of the coal industry as a regional branch (where individual enterprises operate within the scope of regions whose borders are determined by the size of transportation costs) remains little more than wishful thinking: The enterprises still carry coal across the whole of Russia and still need coordination of Railway Ministry tariff policies on a federal scale.

Addressing the press conference, Yuriy Malyshev noted — not without satisfaction — that not long ago, the rate of coal price growth had lagged behind "gas" price dynamics: that is, coal is becoming a competitive type of fuel. If the coal producers manage to back up this trend with corresponding work with the Railways Ministry on restraining (or even reducing) the increase in railway tariffs, then they can start talking in earnest about real stabilization of current extraction volumes — especially considering that this extraction level (270-290 million tonnes a year) has been on more than one occasion substantiated by the country's energy security needs. The general director made a special point to say that these positive trends have become possible primarily owing to preservation of the sector's vertical organizational structure: an enterprise — a regional structure — a branch structure.

It is not clear to date, however, whether this organizational structure will be preserved in the future. At least the way it was formulated in the "Main Lines for Restructuring the Coal Industry" — "the reorganization of the Rosugol company as an open joint-stock company with functions responding to the restructuring of Russia's coal industry" — nothing follows directly from it. The option upheld by the company itself envisions the formation of Rosugol's statutory fund with state-owned blocks of coal enterprises' stock. This should preserve the existing principle of the industry's organization and (which is implied) the current trends for its development. The transition to any other organizational scheme will mean a complete overhaul of the restructuring program: After all, Rosugol has been acting in line with its capabilities. The consequences of such an overhaul are hard to predict: It can be said, though, that they will be quite far-reaching (primarily bearing in mind miners' high social activism).

Livshits Predicts 'Great Demand' for Savings Bonds

LD2408194395 Moscow INTERFAX in English 1928 GMT 24 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 24 (INTERFAX) — The Russian President's economic advisor Aleksandr Livshits predicts a great demand for government savings bonds, whose placing is to begin in September.

The only problem is to ensure that these bonds reach the population and not get lost on the way, Livshits told INTERFAX.

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He said that the bonds will be very attractive due to "a quarterly coupon profit, a profitability far exceeding the profitability of other state bonds, and also guarantees." He said the Finance Ministry is planning to organize a competition among the most reliable banks with a network of subsidiaries, to reveal channels through which the savings bonds will be circulated. "Naturally, Sberbank (the Savings Bank) is out of competition, but its monopoly wouldn't be welcome either," he said.

Several banks will be placing the bonds, he said. "The problem is not whether or not the population will buy the bonds. The problem is that the bonds must reach the citizens. "Perhaps I'll sound heretical, but I would like people to line up for the new bonds," said Livshits.

Lowest Salaries in Budget-Funded Bodies To Rise

LD2408202495 Moscow INTERFAX in English 1857 GMT 24 Aug 95

[FBIS Transcribed Text] MOSCOW, Aug 24 (INTERFAX) — The Russian government has decided to raise the lowest salaries in budget-funded bodies by 1.54 times on September 1, 1995, Deputy Prime Minister Yuriy Yarov told a news conference in Moscow Thursday.

According to Yarov, the salaries of higher-paid employees will also rise proportionally to tariff factors. The indexation will be also extended over additional payments and bonuses. After the increase, the lowest salary in budget-funded bodies will amount to 80,000 rubles a month.

Yarov said the increase will extend over 15 million people (25% of all the employed). A total of 1.8 trillion rubles will be monthly set aside for this purpose by the end of 1995.

Another government resolution signed by Prime Minister Viktor Chernomyrdin Thursday envisioned an increase in the tariff gap (the difference between the lowest and the highest salaries) from 7.53 times to 10.07 times on November 1, 1995, Yarov said. This step will enable the government to increase the salaries in budget-funded bodies by another 35%, he added, another 1.7 trillion rubles will be monthly needed by the end of 1995.

Yarov underlined that the increase in salaries exceeded the growth of prices since the last indexation in March 1995.

First Deputy Prime Minister Anatoliy Chubays said the increase will not boost inflation, because these activities will be financed at the expense of "additional budget revenues."

Economy Seen in State of 'Depressed Stabilization'

MM2408132595 Moscow IZVESTIYA (Financial Section) in Russian 24 Aug 95 p 1

[Article by Yevgeniy Vasilchuk: "Government Returns To Moderately Tough Policy"]

[FBIS Translated Text] Premier Viktor Chernomyrdin stated 21 August that there were no objective reasons for inflation to accelerate in the fall. The premier promised that price growth in the fall would be around 3.5 percent a month.

Despite this outward optimism, this was the first opportunity for official confirmation that the unrealistic macroeconomic forecasts — of 1-2 percent monthly inflation, and so forth — that had previously been made for the end of 1995 had been subject to top-level revision. Thus, the remark made by Viktor Chernomyrdin at the second "Russia Is Our Home" bloc congress that economic policy would have to be amended is gradually starting to come true.

The revision of the key macroeconomic prediction for 1995 only seems moderate at first glance. In August, according to a State Committee for Statistics [Goskomstat] trailer, consumer price growth was indeed continuing to fall — to 5 percent a month compared to 5.5 percent in July. Industrial production in the first half of August was 1 percent up on the same period in July (stripping out seasonal factors). Russian GDP in July remained at the June level following 2-3-percent growth in May-June — which shows that the general economy is definitely starting to cool off compared with the second quarter of 1995. The current state of the Russian economy can be seen as depressed stabilization. As long as favorable trends persist, the premier's predictions could come true.

But there seems little chance of this happening. Despite the fact that production volumes stabilized in the first half of 1995, the decline in labor productivity continued, albeit at a slower pace: According to certain assessments, it fell by around 8-10 percent. This is approximately half as much as last year, but was very unfavorable at the stabilization stage, when factors enhancing the effectiveness of social production should be getting actively involved in the economy.

Despite all the reforms, the changes in the labor market seem cosmetic. Determining the cost of labor has not become a decisive factor in shaping production costs; the stimulating function of wages at microlevel has also been blocked. It is only in a few sectors and at a few enterprises that each worker's individual work is rewarded in line with his or her actual contribution.

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The differences in wages and incomes that have been causing social tension continue to grow nonetheless.

Under these circumstances the government is very much shackled when it comes to implementing a tough macroeconomic policy. Contrary to all the statements and agreements in 1995, it is not substantially tougher than it was in 1994. This is demonstrated by the picture of monthly money-supply, inflation, exchange-rate, and budget revenue and expenditure dynamics, which is virtually identical to last year.

If the government succeeds in avoiding last August-September's money-supply excesses and the mistakes of October, then average monthly inflation in the fourth quarter of 1995 will not be last year's 15 percent, but almost half that — 7-8 percent a month. But achieving the 5-percent monthly consumer price growth designated by President Yeltsin back in February 1994 as the threshold for inflation safety can be considered the first phase in the government's successful fulfillment of the president's orders. Albeit a whole year late.

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International Affairs

Yeltsin Cables Kuchma, Mentions 'Forthcoming' Visit

AU2408121195 Kiev HOLOS UKRAYINY in Ukrainian 23 Aug 95 p 1

[Undated congratulatory telegram "To His Excellency Mr. L.D. Kuchma, President of Ukraine" from Russian President Boris Yeltsin]

[FBIS Translated Text] Dear Leonid Danilovich,

I sincerely congratulate the fraternal Ukrainian people and you personally on the occasion of the national festival — Independence Day.

The Russian and Ukrainian nations are inseparably linked by their common history and joint striving to build a humane and democratic future. In this there lies the objective basis of the special type of cooperation between out two states.

I am sure that the course toward closer and deeper interaction based on strategic partnership, mutual respect, and trust that was initiated by us in Sochi will follow its further fruitful development during our forthcoming meeting in Kiev.

I wish the people of Ukraine prosperity and well-being and you, Leonid Danilovich, every success in your extremely difficult and conscientious activity, strong health, and happiness.

[Signed] B. Yeltsin

Charge D'Affaires' News Conference in Latvia

MK2508040695 Moscow KOMMERSANT-DAILY in Russian 24 Aug 95 p 4

[Report by Vladimir Golovanov: "Latvia-Ukraine Relations. Kiev Promises Not To Tread on Moscow's Heels"]

[FBIS Translated Text] Ukraine's charge d'affaires ad interim in Latvia, Volodymir Chornyy, called a large press conference the other day devoted to the fourth anniversary of Ukraine's independence. Although it was in Riga, the "Russian theme" took half the time scheduled for talking with journalists.

The keynote of the charge d'affaires' entire address fit the occasion for which the press conference was announced — an independent Ukraine should be viewed as an equal partner. This primarily applies to relations with Russia which, in line with the foreign-policy strategy of the Ukrainian Foreign Ministry, Chornyy referred to as "partner number one." To a question from meticulous journalists on whether Ukraine listens to Russia's view in its relations with Latvia, the charge d'affaires diplomatically said that Ukraine regulates its relations with other countries independently but in such a way as "not to tread on the heels and corns of third countries." According to Chornyy, this line of conduct has been suggested to Ukraine by its 50-year-long experience in the UN: some other style of relations between states does not bode anything good. Incidentally, Moscow's and Kiev's "pet corn" — the Black Sea Fleet problem — was not passed over in silence. The Ukrainian representative reiterated Kiev's point of view: Sevastopol should not be regarded as a Black Sea Fleet base (something wished by Moscow), but as a place temporarily rented by the Russian navy.

Coming at last to Ukraine-Latvia relations, Chornyy announced that Latvian President Guntis Ulmanis intends to visit Kiev on 21 and 22 November 1995 to sign a package of economic agreements. So far, trade between Latvia and Ukraine is in a state of inception: the links that existed under the USSR have been severed, and new links take time to build up. At the same time, political relations between Kiev and Riga are developing very well, according to Chornyy. Ukraine especially values Latvian support in the European Council and the other European organizations where the two countries coordinate their activity. Full-scale cooperation between the military in both countries is perhaps not a distant prospect. A visit to Riga is expected in late September 1995 by Ukraine Defense Minister Valeriy Shmarov. No full-scale agreement is in the making so far.

One problem typical for the Baltic countries looms large against the generally favorable background of Ukraine-Latvia relations. It is the status of approximately 70,000 Ukrainians living in Latvia — as little as 5 percent of them have citizenship. Judging by the words of the charge d'affaires, the uncertainty of their position may result in "Baltic refugees" turning up in Ukraine. Chornyy vouched that they "are not awaited with orchestras" there.

Kuchma: Crimea Settlement 'Depends 99%' on Russia

MM2408123495 Moscow KRASNAYA ZVEZDA in Russian 24 Aug 95 p 3

[Report by Lieutenant Captain Sergey Zhukov: "Krym Docks in Sevastopol. Ukrainian President Leonid Kuchma Arrives in Sevastopol 22 August Aboard His Yacht Bearing the Symbolic Name Krym (Crimea)"]

[FBIS Translated Text] Sevastopol — Scarcely had he stepped ashore than he elected immediately to go aboard the Ukraine Navy flagship, the German Sagaydachnyy. After an inspection of the ship and a conversation with

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seamen the Ukrainian president met with journalists. He admitted: "The whole problem of the Black Sea Fleet should be resolved more rapidly. It would be to the benefit of both Ukraine and Russia, particularly those seamen and officers who are serving here and who would thus find out where they will be tomorrow." "We are perfectly well aware," Leonid Kuchma, continued, "and I myself realize that Russia will always have interests in the Crimea and in Sevastopol. We must settle these issues with Russia peacefully. Their resolution depends 99 percent on the Russian Federation, since we are ready to sign an agreement even now."

In response to questions about the siting of the Ukrainian Navy's headquarters the president stressed that it will remain in Sevastopol. "We are not going to put people in tents on bare ground. We have experience of withdrawing troops from Europe. All these issues cannot be resolved from a position of strength or at the expense of someone else's interests."

There there was talk previously, however, of siting the Ukrainian Navy's headquarters in Donuzlav, where a military garrison with all its characteristic infrastructure is already located. The fact that the Black Sea Fleet command, which is de jure still under the command of the two presidents, was not made aware in advance of the time of Kuchma's visit is also interesting. It is also noteworthy that during his visit to Sevastopol the Ukrainian president did not meet with city civil administration head Viktor Semenov. Leonid Kuchma cited the fact that they see one another so often. At the same time he did not forget to mention Semenov's trips to Moscow and the money which he has been promised but which the city has not yet received.

Kravchuk 'Proud' of His Part in USSR Disintegration

LD2408173395 Moscow INTERFAX in English 1534 GMT 24 Aug 95

[FBIS Transcribed Text] Kiev, Aug 24 (INTERFAX-UKRAINE) — The ex-president of Ukraine, Leonid Kravchuk, has said he is proud of his involvement "in the implementation of the will of peoples for years ago, the disintegration of one of the most powerful empires, the Soviet (Empire), and the creation of the Ukrainian state."

Kravchuk, the first president of the independent Ukraine, made this statement in an interview with INTERFAX-UKRAINE on Thursday [24 August]. He was commenting on the statement by Belarusian President Alyaksandr Lukashenka that the participants of the abolition of the Soviet Union in Belovezhskaya Puscha in the winter of 1991 "will be damned to a varying degree."

Kravchuk said he will always seek "society's consolidation around the idea of Ukraine's independence."

"The main thing now is to unite the democratic forces and develop a mechanism for their influence on the country's authorities," he said. "Today the authorities do not always listen to the will of the people," he added.

National Affairs

Independence Day Celebrations Held in Kiev, Kharkov

LD2408190095 Moscow INTERFAX in English 1656 GMT 24 Aug 95

[FBIS Transcribed Text] Kiev, August 24 (INTERFAX-UKRAINE) — The Independence Day celebrations are being held in Ukraine today, August 24, in a festive mood. On that day in 1991, Ukraine's Supreme Soviet passed an Act on the proclamation of Ukraine's independence.

At 11.30 am, President Leonid Kuchma, Chairman of the Verkhovna Rada Olexander Moroz, Prime Minister Yevheniy Marchuk laid flowers to the monument to poet Taras Shevchenko in Kiev. The ceremony was also attended by Head of the Kiev City Administration Leonid Kosakivskiy. According to an "IF-U" correspondent, over 600 persons got together near the monument.

On the occasion of the fourth anniversary of proclamation of independence, President Kuchma presented in Kiev on Thursday government awards of Ukraine to a group of workers in science and culture and army men.

Presenting the new Ukrainian award — The Order of Prince Yaroslav the Wise — Leonid Kuchma said: "Our address to the historical figure Yaroslav the Wise is evidence of the profound continuity of the traditions of statehood aspirations. Our objective today is to strengthen the young Ukrainian state with the wisdom and determination of our great predecessors".

Among the persons decorated with the new award is a prominent legal expert, Academician of the Academy of Legal Science Fedir Burchak.

In spring this year, at a time of a sharpening of differences between the President and a part of the Verkhovna Rada deputies on the issue of the bill "Of state power and local self-administration", Academician Burchak represented the President's stand in parliament for some time.

The Independence Day celebrations in Kharkov are proceeding in a tranquil atmosphere, an "IF-U" correspondent reports.

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By the evening, a small group of representatives of nationalist and national-democratic parties, among them the city branches of the Popular Rukh of Ukraine, the Democratic party and the Congress of Ukrainian Nationalists are planning to lay flowers to the monument to Taras Shevchenko. In the morning, flowers to the great poet's monument were laid by leading officials of the city.

Festive fireworks will be displayed in the city in the evening.

Opposition Parties Defy Independence Day

LD2408211195 Moscow ITAR-TASS World Service in Russian 1615 GMT 24 Aug 95

[By ITAR-TASS correspondent Anatoliy Gordeyev]

[FBIS Translated Text] Donetsk, 24 Aug — The republic's opposition parties and movements defied Independence Day, which Ukraine celebrated today.

The left — communists and socialists — simply ignored the festivities staged at the initiative of state and local administrations since they believe that the act of independence adopted by the Ukrainian Supreme Council in August 1991 was a move against the interests of the people. At the same time, left of center parties and movements, first of all in Ukraine's southwest regions have been staging rallies and pickets over the last few days demanding that the authorities renounce the policy of self-isolation from the CIS countries, stop the nationalistic hysteria, and restore the severed links with the former Soviet republics.

The Civic Congress of Ukraine party staged pickets in Donetsk, Krivoy Rog, and Lugansk. The picketers demanded yet again that Russian Public TV programs be returned in full to the first frequency channel throughout Ukraine. The same pickets were planned for Kiev, too, but Aleksandr Luzan, deputy chairman of the Civic Congress of Ukraine party told ITAR-TASS that when the pickets arrived at State Television and Radio building they were stopped by reinforced militia patrols and warned that as soon as they unfurl a single banner they would be detained for three hours and deported from Kiev.

"The most interesting thing is that we talked to the representatives of the law enforcement bodies against the background of a rampaging crowd of nationalists in which about 50 National Assembly-National Defense militants were prominent," Luzan said.

President Kuchma Independence Day Speech

LD2408190395 Kiev Radio Ukraine World Service in Ukrainian 1400 GMT 24 Aug 95

[Independence Day Speech by President Leonid Kuchma from the Ukrayina Palace of Culture in Kiev — live]

[FBIS Translated Excerpt] Dear compatriots, esteemed participants in the gala meeting, esteemed guests.

Today we are marking our greatest national holiday — Ukraine's Independence Day, for the fourth time. The emergence of the Ukrainian independent state on the political map of the world became one of the most outstanding events in the world history of the second half of the 20th century, and is a natural result of our people's centuries-long aspiration to be masters in their own home. I again sincerely congratulate all our compatriots and Ukrainians throughout the world on the occasion of Ukraine's revival. [applause] [passage omitted]

However, we cannot disregard serious negative factors, including those of subjective nature, which slowed down our progress. It was the procrastination with the economic and political reforms, unjustified restriction of mutual relations with Russia and other republics of the former Soviet Union, and administrative-and-bureaucratic approaches toward resolving issues of cultural revival. The consequences of these erroneous reference points are well known. Meanwhile, we should do justice to the positive achievements of the first years of independence.

First, Ukraine was forming political and legal basis for its state independence back when it was part of the Soviet Union, in conditions of sharp internal confrontation. But this process was completed in a fully legitimate way, without clashes or dangerous conflicts with the former Soviet Union center. Ukraine gained its independence without bloodshed or loss of human lives. This fact is invaluable.

Second, being critical, in general, of the economic policy of the previous leadership, we cannot but point out that it was exactly at that time that the course toward building a market-type Ukrainian economy was outlined. The radical change in the social and legal stereotypes in the post-socialist society is a serious achievement, and a true breakthrough toward new social relations.

Third, it was at that time that the foundations of the democratic political system and civic society were laid down. We are still far from completing this process, however, from the very first days of its existence as

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an independent state, Ukraine has been steadily moving in that very direction. Having carried out a peaceful transfer of power in the course of the parliamentary and presidential elections in 1994, Ukraine significantly accelerated its political development and successfully passed, if we can say so, the examination in democracy.

Fourth, Ukraine has emerged on the international arena as a peaceful nation that has demonstrated its readiness to comply with the civilized norms of behavior in the international community and guarantee its citizens's universally recognized rights and freedoms.

At the same time, the initial years of independence will remain in our history as the period of lost opportunities, gross errors, ill-advised decisions, and unfounded proclamations. [passage omitted]

Regrettably, these initial years of independence failed to live up to the expectations of those who hoped for a more effective remedy against the socioeconomic crisis. This disappointment was in part to blame for certain nostalgia for the past. At the same time, public opinion increasingly leant toward the notion that a new union will come to Ukraine's rescue, although few realize that post-Soviet states have since changed fundamentally, and that no union will help if we do not learn to provide for national well-being on our own. [applause]

Orientation toward national and ethnic priorities by certain political forces and sections in society contributed to political nonuniformity in Ukraine regionally. It was clear that the newly elected state leadership was to have taken all these circumstances into consideration.

So what are the results of our activity in the past year, and what are the targets in the Ukrainian state's further evolvement?

One should above all underline,that the fateful turning point in the historical development of Ukraine is in close association both with the establishment of national statehood, and a settlement to another global problem, which is transforming Ukraine into a modern civilized society.

To irreversibly assert Ukrainian independence and build a qualitatively new structure of societal relations, in-depth economic reforms are of paramount importance. To carry these out, state policy will aim at finding a solution to three strategic objectives, as follows:

— to put in place all necessary economic institutions that form part of the integral national economy capable of ensuring the nation's material prosperity and real independence;

— to accelerate the radical renovation of the national economy and build its market model on the basis of social values;

— to check the destructive crisis that poses a threat to Ukraine's national security and erodes the foundation of its independence.

I would like to emphasize that we must properly appraise our progress toward completing the creation of the national market economy as an integral functional system. Today we have grounds to state that the fundamentals of this system are a reality that is the basis of all our future actions.

[passage omitted] I would like to draw your attention to the fact that the formation of new functional elements in the national economy takes place on a clear-cut market basis.

With what has been done given its due, I consider it to be my duty to mention what still awaits resolution and what affects the consolidation of our nationhood, its economic independence and security. This problem has several aspects.

First, this is the insufficient maturity of economic institutions that form the integral structure of the national economy, the greatest problem here being a structural imbalance of the financial system. In the past four years, we have failed to rebuild it in line with new realities in our economy. So far we have failed to learn how to properly collect taxes, which, admittedly, is a major economic feature of statehood. An estimated 40 to probably 50 percent of taxable earnings do not make it to the state treasury, hence an imbalance of the budget, unjustifiable issue of money, and so forth.

We must realize that, until we can live in accordance with the material and financial resources available, one can hardly hope for perceptible economic transformation. The economy under these conditions will simply remain out of control, which is why this is exactly the problem, the solution of which has to be dealt with as a matter of priority in the new government's action plan.

Although the banking system is also evolving at a quick pace, it is still suffering from a lack of order. The catastrophic illegalization of monetary circulation causes concern, with more than 200 quadrillion karbovantsi in circulation there.

The second aspect of further developing the national economy relates to the adjustment of its course. Having acknowledged the need for a market economy on the basis of social values, rather than simply a market, we have to say that too little has yet been done to that end. The respective social infrastructure is weak.

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It was only in the past few months that the government undertook some of the first steps to bring in a state system of pinpoint assistance to the worse-off. We have failed to make any progress toward the formation and consolidation of the middle classes as the foundation of a state's sociopolitical stability.

What causes concern most is the widening of the gap between various strata of the population. Statistical research data suggests that the difference in money incomes between 10 percent of the wealthiest and 10 percent of the poorest in our society has now almost reached 1,100 percent, with that proportion in industrialized nations below three to one. In addition, individual enrichment often is of a noneconomic nature. It takes place by way of the unequal redistribution of national wealth, rather than on the basis of economic growth.

The economy where similar phenomena occur cannot have an internal balance. It always poses a threat of social explosion and detonates the bomb of political instability.

At the same time, in describing the processes that are taking place in the social sphere, it should be pointed out that of late, certain progress has been achieved there. A tendency toward reaching a turning point in the decline in the living standards of the population has taken shape. If in 1991-1994 real wages decreased by almost 75 percent, in the six months of the current year they grew, compared with December 1994, by 15 percent. I emphasize that this refers to real wages. In the first six months of 1995, the share of expenditure for the social needs within the structure of the unified budget of Ukraine, has increased from 51 percent to 64 percent. However, these indices are still hardly appreciable.

The problem of structural reorganization of the national economy should also be assessed within the context of determining the priorities in its development. The situation that is taking shape there is acquiring a threatening nature. For example, in 1994, the share of machine-building and metal-processing within the overall volume of production decreased, as compared with 1990, from 30.5 to 17 percent. With the overall decline in the industrial production by 40.4 percent, the production in a number of sectors in the machine-building industry has decreased by 70-80 percent.

The slump in the light industry cannot but evoke concern, too. This, in particular, refers to the textile, footwear, and knitwear industries. Their share in the overall structure of production has already fallen from 10.9 to 4.4 percent. An intensive process of forcing the domestic industry out of the domestic market is taking place. The market is being saturated with imported goods and, moreover, they are far from being the best-quality goods. According to economists, in 1990 domestic producers accounted for 80 percent of the retail trade turnover, and in 1994 this figure was less than 50 percent. All this led to a deep degradation of the industrial, scientific, and technical potentials and high technologies, in other words, degradation of all that our people were always proud of most of all.

The production structure is acquiring the features of a colonial-type economy, incapable of an independent, expanded reproduction. There is no need to prove that, at the end of the day, these processes are fraught with, perhaps, the greatest danger to the state's national security and sovereignty. The situation is being aggravated by the state's growing dependence on energy sources. At the expense of foreign loans only, first and foremost, those provided by the International Monetary Fund, it lately become possible to somewhat decrease the deficit of the balance of payments, however, the problem remains unsolved. Very little has been done toward developing Ukraine's own energy resources, reducing the power capacity of the national industry, and achieving balance as regards the energy consumption within the industry. As is well known, the president has more than once raised the issue of structural policy in an acute manner. However, neither the government as a whole, nor separate ministries have managed to change the situation for the better. The new Cabinet of Ministers should regard these extremely complicated issues as priority issues in their activities.

The third set of issues pertain to determining the cause of the negative phenomena that are accompanying the development of the national economy. We declared our course toward the market transformation of the economy at a quick pace. This policy, in our view, has no alternative, and the president of Ukraine will do his utmost to consistently put it into practice. The new government will also take this position of principle.

At the same time, we have to look closely at why reforms cost us so much. One of the reasons for that is our attempt in many aspects to blindly copy the Western model.

We must take on board as soon as possible the best achievements of world civilization, and our aspiration to compare our intentions and actions with the accomplishments of Western nations is, therefore, quite natural. Post-socialist countries, Ukraine included, are, however, special, which cannot be disregarded in the implementation of a market transformation model. Our experience after four years is solid proof that, just as any other country of the former Soviet Union, we will never be able to follow in everything the path of Western

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countries. But do we really need to? Politicians who permanently impose this idea on society are not innovators. This is a primitive conservatism that should be overcome at all costs. Using in a creative manner the experience of Western countries, as, by the way, that of Russia and other CIS countries, the Baltic countries, and the countries of Central and Eastern Europe, we should more actively and persistently search for our own Ukrainian market transformation model. Indeed, if we want to build a truly great and independent state, we must see to that now. It is not too late yet to make the necessary corrections.

Scientists of the National Academy of Sciences should abide by a more active stand on the issue. We are planning to hold an all-Ukrainian conference of economists in September, which is to discuss in detail issues of stabilizing and determining a pattern of the post-crisis development of the national economy.

There are other problems of the kind. Despite the huge volume of work done to dismantle the administrative-command system, we are still rather far from the establishment of full-scale, functional, and viable market mechanisms of management. Very little has been done to overcome the monopoly in our economy. But there can be no constructive competition and no price regulators can work unless it [monopoly] is eliminated.

Attempts by some politicians to forcefully impose a model of regulating the monopolized economy by means of classical market instruments, including purely monetary ones, look like a mockery of common sense. I am emphasizing this because, due to this profoundly erroneous methodological concept, we essentially curtailed and actually dismantled state regulators and made a number of other regrettable mistakes in the economic policy. Most alarming is the fact that the state sector of the economy, which accounts for over 60 percent of the production facilities, is virtually uncontrolled. The state actually gave up its positions as regards the forecasting of the economic development — the bedrock of the economic regulation of not just the administrative economy, but the market economy, too.

I will give a few known examples. In 1992, 1993, and 1994 there were plans to maintain the budget deficit at the level that would not exceed two percent. But, as a matter of fact, it reached 10 to 17 percent. According to calculations made by the National Bank of Ukraine, by the end of 1993, inflation was supposed not to exceed three percent, but in December the inflation stood, as a matter of fact, at 90 percent. Prices went up more than 100 times in 1993. It was a kind of a world record. Similar blunders were made this year.

External factors seriously affect the situation. They should also be forecast. Back in May 1992, a decision was made at the level of CIS countries to switch over to world prices for raw materials and, primarily, fuels. But we failed to forecast the real consequences of these changes and failed to prepare ourselves for a fundamentally new economic situation. As a matter of fact, even today we have not yet solved the set of problems connected with ensuring a proper energy supply to Ukraine.

With the above circumstances taken into account, the idea of correcting the economic reform was put forward in the president's annual economic report to the Supreme Council, and also in my speech in Uzhgorod. As is known, it received an equivocal response on the part of some experts and certain public circles. I am again emphasizing that the idea was not to reject market transformations, but to search for the most effective ways toward the market and to democratize the whole system of economic relations. The time that has elapsed since the idea of correcting the economic reform was proclaimed, convinced me of its necessity, and I will demand that the new government act relevantly. I am deeply convinced that this is the only possible way toward solving all the problems we are facing today. I am emphasizing that the determining factor in the process of correcting reforms is the stepping up of the social orientation of the economic development and the implementation of an active industrial policy by means of economic levers.

The developments of the past three months proved this in practical terms. As a matter of fact, the volume of industrial output has been stabilized at the level of minus 1.5 — plus 1.5 percent. In August, this figure grew by 1.3 percent. This is a good start for the second half of the year, during which we have to slow down the decline in the production, which occurred in the second quarter.

Thanks to the assiduous work of farmers, a sufficient bulk yield of grain crops was gathered in this year — 1.5 million tonnes, which exceeds last year's harvest. The harvest of sugar beet and sunflower and the production of fodder will grow by almost 25 percent.

Over the past few months, the inflation index has virtually been stabilized at the level of 4.5 to 5.0 percent. We are attentively following and keeping under our control the processes taking place on the currency market.

All these are rather decent, under the current economic circumstances, processes. If they are maintained, we will have a solid basis for stabilization processes next year. The main thing is that under no circumstances should

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any failure be allowed to take place in the autumn-winter period, and the economy should be provided with the required fuel and energy resources. Therefore, having laid the foundation of the national economy over the past four years at the cost of great efforts, we should display even more persistence in order to improve and rationalize it. No one can be satisfied with what we have today. I am convinced that the new government is well aware of this and will act in line with the requirements of the time.

Esteemed participants in the meeting. The second strategic direction in our activities is the further development of the state power that can ensure effective and civilized control over all social processes, guarantee the rights, freedoms, and high living standards to its citizens. As a matter of fact, on the fourth year of independence, the second stage of the state-and-legal reform has been implemented. In 1990-1991 Ukraine got rid of the last formal and legal signs of the totalitarian state, in the shape of the Communist Party institutions that were exercising state powers, and established its own national-and-state system.

This year, the system was radically reorganized. The signing of the Constitutional Agreement actually means the dismantling of the nonviable form of state power exercised through soviets. The idea of creating a presidential-parliamentary republic in Ukraine is acquiring practical content. Meanwhile, both the president and parliament, all bodies of state power, should be well aware of the fact that the agreement is not a formal document that allowed to (?settle) a single critical situation. This is the most important social and legal act that we are obliged to be guided by unswervingly in our everyday activities. Unfortunately, the events around the Office of the Prosecutor General show that there is no such attitude as yet toward this document. I am convinced that both the president and the Supreme Council will find a constructive way out of the situation, remove the violations made, and make a coordinated decision.

It is necessary to understand that if all the branches of power turn out to be incapable of ensuring the proper functioning of the Constitutional Agreement which, together with the Constitution, is the fundamental law of the state, Ukraine will be involved in a new constitutional and political crisis, and what is more, the crisis will be unprecedented as to its depth and scale. Those politicians, who even today regard this unique document as a violation of the principles of democratic state-building, should understand this. It is not worth rating one's own personal convictions above social interests and accord in the state. We should all remember that strict abidance by the Constitutional Agreement is one of the determining guarantees of maintaining stability in society. The more so that an important and responsible stage is ahead — completion of work on drafting and adoption of a new constitution of Ukraine, which will become the supreme guarantor of the supremacy of law and the principles of democracy.

Another reason why I am emphasizing this is the fact that under crisis conditions it is very important to keep from the ideas of partially restricting democracy under the pretext of carrying out more effective measures to stabilize the economy and restore the basic norms of law and order in the country, even if these ideas seem to be attractive on the surface. The slogans calling for strong power have many supporters among the people who have been exhausted by their economic state, by the incapability of the authorities to guarantee their inalienable rights, in particular, to protect them against crime and abuses in various echelons of power. The sliding to totalitarianism is also provoked by the political forces that resort to pressure on the authorities, taking advantage of the state's weakness. The president is deeply convinced that the establishment of totalitarianism in Ukraine in any form is inadmissible, to say nothing about dictatorship models of organizing state power. Consolidation of the executive power, as a necessary prerequisite for getting out of the deep social and economic crisis, should be accompanied by the growing role of the Supreme Council, as a truly legislative body, and by the creation of other democratic counterbalances and guarantees, including the judicial branch of power.

One should at the same time be aware that the state also must perform some functions of enforcement. These are precisely the methods it will, in particular, apply to the fifth branch of power [crime]. Nor will be left unattended the actions of those who provoke ethnic animosity and religious intolerance and resurrect political extremism or separatism.

I recall these absolutes so that nobody will doubt that the state will be on guard to ensure its territorial integrity, the inviolability of its borders, and the peace of its citizens. [applause]

The state should care about the law enforcement bodies. It should not just consolidate their social, financial, and technical provision but also support the morale of the personnel and prevent the burden of responsibility from being transferred to the shoulders of the men in uniform.

Our most important priority is and will be the preservation of civil peace and inter-ethnic accord in Ukraine. During the entire previous period of time we were able to find possibilities to settle confrontational situations by peaceful and civilized methods. Unlike some post-

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Soviet countries, we managed to get out of the constitutional dead-end street without clashes.

Normalization of the situation around Crimea is important for maintaining stability in the state. The decisive moment was the close dialogue with various political forces and power institutions of the peninsula, socioeconomic assistance, and coordination of actions by the Supreme Council president. However, we are well aware of the fact that the danger of explosive processes in Crimea still exists. This was revealed, in particular, by the June events, during which a new sociopolitical crisis occurred. It was connected with the problems of the Crimean Tatar population and the threatening growth of the influence of organized crime in Crimea. The danger of conflicts is waiting for us in other spheres of social life as well. Certain political forces are orientated to aggravating the situation and to exerting pressure on the state in order to achieve their purely selfish goals. I would like to warn them against such unbalanced and dangerous moves. It is not very difficult to provoke a conflict in a society that is not stable. But quite often, it is almost impossible to localize it with one's own forces. Research shows that since the end of 1980's, almost two thirds of internal conflicts in other states were internationalized. Therefore, those politicians who provoke confrontation and clashes under the slogans of protecting their state or their compatriots should remember that in the long run they work not against separate political forces or government officials, not against the president but against Ukraine and its people.

It is necessary to focus on the implementation of a truly strategic task: to work out such a system of sociopolitical relations that would ensure coordination of various interests and civilized solution to inevitable contradictions.

We should legislatively support the development of political parties and public movements, and tactfully, though univocally, outline the legal framework of their activity, rights, and duties. Especially important is a reliable mechanism for the isolation of ultraradical forces and prevention of political extremism in any form.

The latter is particularly topical, given repeated occurrences in Ukraine of cases of right-wing extremism, sometimes hand in hand with signs of fascism. We must not only openly warn our people, we must also take adequate action today, because tomorrow may be too late.

I would like those politicians who at all costs seek the imposition of their own line in nation building, themselves hidden behind the back of militants, at long last to think about this.

The respective moral atmosphere should also surround those organizations that campaign for the creation of new military and political unions and effectively oppose Ukrainian statehood.

Analyzing without prejudice in economic and political terms and assessing the situation from the geopolitical point of view gives grounds to state that the optimum form for its people to survive is precisely an independent and sovereign Ukraine. This is the consensus among most of our fellow countrymen. This idea is selflessly advocated by national patriotic organizations and accepted by influential forces within the left wing.

Our common task is to consolidate further the political parties and the public on the basis of the idea of nationhood which will serve each of its citizens.

Having rejected the obsolete ideological and moral principles, we should more actively establish universal human values. In connection with this, the Ukrainian national idea deserves the attention of the state. Unfortunately, it failed to bring the desired unification, first and foremost, because not a state political and economic content, but mostly national and ethical content was laid down in it from the very beginning. I have to emphasize this again, because the president is being accused of rejecting the national idea as such. I am deeply convinced that this is a great humanistic idea of struggle for happiness, well-being and freedom of the Ukrainian people, the idea which is based on the deeply-rooted historical traditions that take their origin from the vital sources of Kievan Rus, Halych-Volhynia Principality, and the Cossack state, the idea which is realized through a developed economy, achievements in culture and science, and through reliable guarantees of human rights and freedoms. [applause]

The experience of the four years of Ukraine's independence undeniably proves that we should not just fill the national idea with a new content, but we should work out and actively engage a new ideology of state-building. Not the principle of destruction but the principle of creation, building and establishing Ukraine as a civilized state, and providing people with worthy living conditions should become its cornerstone. [applause]

We should renounce radicalism, both left-wing and right-wing, and not only declare but follow in reality a policy of wide-ranging centrism as an integrational model of Ukrainian development and as a means of averting confrontation. We should reach agreement on the societal interests of various social strata, finding a compromise between various branches of power, and consolidating the whole of society.

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International peace and inter-ethnic accord in Ukraine prove that we have followed the right course in such an extraordinarily important and delicate area as state ethnic policy, the substance of which one could concisely describe as that Ukraine is a common land and home to all its citizens. [applause]

It is vital for Ukraine to retain its inherent character and national identity, and ensure the spiritual and cultural revitalization of its people, lest our offspring and we ourselves should pay dearly for spiritual inflation. This concerns not only discarding the legacy of totalitarianism. It is also that our society quite often becomes the object of expansionism in spirituality, ideology, culture, and information.

We have no intention of putting up new ideological barriers and restricting our citizens' access to other nations' sources of information and culture. However, we cannot and we will not subsidize foreign television and radio companies, the more so in that we are short of resources to support our own media. [applause]

Of late, we have been somewhat successful in correcting our state's humanitarian policy and relinquishing our unjustifiable purely administrative methods applied to the determination of our national priorities. I think I should reiterate that the overwhelming task is for the state to continue to encourage the regeneration of Ukrainian spirituality, for which purpose it will seek fundamentally different opportunities in order to exert influence, mainly economically, morally, politically, and ideologically. It should also considerably widen the independence and role of the regions in the development of culture, education, and linguistic policy on the territory without violating a national policy on culture and languages, as the language and culture belong to the people, rather than the state, and evolve and interact on the basis of their own laws rather than on departmental instructions. It would be good if this were understood by the forces which attempt to place Ukrainian, Russian, and other cultures in opposition to each other. After all, we still vividly remember our recent historical experience. So let us not let it happen again, with its components prioritized differently.

I would like to use this opportunity to appeal to our creative intelligentsia to increase their spiritual influence on the establishment and development of Ukrainian culture. [passage omitted]

The religious situation also requires more state attention. We have evened out recent distortions. I would once again like to say that the state approves of the idea that the Orthodox Church should unite. It is ready to act in its capacity as an intermediary, given consent by all Orthodox churches. However, I repeat that there will be no return to the practice of support by state authorities for one and restrictions on other religious communities. There will be no interference in their internal life. [applause]

The executive authorities will strictly comply with the requirements of the legislation in force, will ensure the equal treatment of all religious associations, and will prevent the use of force to settle interdenominational differences.

Another aspect of principle in the state's humanitarian policy is its attitude toward the ideals and values of the past. There are many among these which have proved worthless and which have failed the test of time. At the same time, we cannot thoughtlessly brush aside everything that has been previously accomplished. This particularly applies to such values as sound collectivism, the ability to make sacrifices in the name of national ideals, and the preparedness to selflessly defend our land. That is exactly why society treated as a national celebration the festive proceedings on the 50th anniversary of liberation from the fascist invaders and the jubilee of victory in the Great Patriotic War. We should continue to preserve these traditions as our national heritage.

Heartfelt respect for our sources of origin, for our own roots, for the deeds of our grandfathers and fathers, for our parents' graves; love for our land, both in glory and distress; an aspiration to do good and doing good in the name of the people and the state — these are all the elements of patriotism which we badly need now in order to build a new Ukraine. This source revitalizes this and subsequent generations in our history, rich in the glorious names which our people pride themselves on and which personify Ukraine. [passage omitted]

A breakthrough on the world arena is among the major accomplishments of our young state. Today Ukraine is a major player in the settlement of international problems and is instrumental in ensuring European stability and security. It has considerably widened and extended the range of its contacts in foreign policy, intensified international relations in various areas, and earned a good reputation worldwide. Ukraine has established an international image as a stable and predictable partner whose policy is balanced and foreseeable.

With its strict adherence to the principles of peaceful policy, Ukraine is working to build its own defense complex and state security agencies. The state today does not satisfy us completely. We will reform our armed forces with a view to modernizing them, bringing them into line with our defense doctrine, and implementing a dependable system for their social welfare. This should be done quickly, since the socio-psychological atmosphere

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in the Army is deteriorating and the gap is widening between the modern scientific and technological level of armaments and the actual capability of the Ukrainian Armed Forces.

I would especially like to emphasize Ukraine's immense contribution to the global matter of freeing humanity from the threat of mass destruction weapons. The voluntary rejection by the third largest nuclear power of this monster of the 20th century has no precedent, and graphically illustrates to all the world the Ukrainian state's deep-rooted respect for peace and progress.

So Ukraine is and will be. It is energetically shaping its statehood. The third attempt to create a Ukrainian state has been successful. The historical turning point is now behind us, and no matter what direction Ukrainian development may take in the immediate future there will be no turning back.

Despite malevolence and forecasts of the collapse and unviability of the state of Ukraine, we have withstood the hardest stage and are now in the process of establishment. We live. This is how it was and how it will be, for we are a great nation. The only name we have is Ukraine. [applause]

We call on everyone in our ancient and beautiful land to join forces for the sake of Ukraine and in the name of building a powerful, prosperous, democratic, and independent state of ukraine. [applause]

Dear fellow countrymen: May I once again congratulate you on this anniversary and reaffirm my highest regard for all generations of Ukrainian people whose sweat and blood, lives and suffering gave us our state. My sincere gratitude goes out to all compatriots for their limitless patience, their understanding that building a nation is not easy, and their selfless work in the name of the future and in the name of our descendants.

I thank you for your attention.

Kuchma Seen Squeezed Between Left, Right

954F3090A Kiev KIYEVSKIYE VEDOMOSTI in Russian 9 Aug 95 p 3

[Commentary by Vladimir Lartsev, member of the New Ukraine presidium, candidate of philosophy, under the rubric "Viewpoint": "In a Vise Between the 'Right' and the 'Left'"]

[FBIS Translated Text] The time that has passed since 18 July has been quite sufficient to appraise soberly, without emotions, the political substance and significance of the events that occurred in front of St. Sophia Cathedral. Their extraordinary nature was not only in that they jeopardized civil peace in Ukraine but also in that they completed the regrouping of political forces that began after Leonid Kuchma's victory in the presidential elections in July 1994.

From the moment of gaining independence, three main political camps emerged in Ukraine. The "left," which includes communists, socialists, and all parties and organizations advocating equality, justice, and international unity. The "right"—the nationalistic— champions capitalistic transformations and complete freedom of Ukraine from political and economic dependence on Russia. And the third, centrist, firmly ties its program aims toward formation of market relations in Ukraine with a further development of close economic, political, and cultural relations with Russia.

As is known, L. Kuchma's electoral platform was based on the centrist position. In the second round of presidential elections he, unlike the nationalistically-minded L. Kravchuk, was supported by communists and socialists. However, after Kuchma proclaimed a course toward radical economic reforms and the beginning of their practical implementation in October 1994, the "left" shifted into the opposition to the president. At the same time, the nationalists, seeing that Leonid Danilovich, on the one hand, is not rushing to jump into "big brother's" embrace, and on the other, makes extraordinary efforts to dismantle the Soviet system and strengthen the executive branch, moved to his side.

It was on the basis of this correlation of forces that the president was able to conclude the Constitutional Accord with the deputy majority of the Supreme Council.

But radical market transformations, began by L. Kuchma, naturally caused at their first stage a decline in the standard of living of our citizens. The mood of the majority of the electorate began to tilt toward program positions of communists and socialists. At the time, the signing under the pressure of first and foremost internal economic reasons of the agreement on the Black Sea Fleet and other steps taken by our president in order to remove the last obstacles on the road to signing the Ukrainian-Russian treaty of friendship and cooperation, alienated the nationalist forces. The latter used the death of Vladimir Romanyuk, the patriarch of the Ukrainian Orthodox Church—or, to be more precise, the religious conflict in Ukraine that had become visible by then—to swing the mood of the population, indignant over a sharp decline of the standard of living, to their side and force L. Kuchma to forgo signing a shackling, in their opinion, treaty with Russia.

From this viewpoint, the true inspirers and script-writers of the events at St. Sophia were the nationalist forces, while the authorities, in the person of the Cabinet

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of Ministers and organs of internal affairs, only set themselves up for a well orchestrated provocation.

Thus, after a year of Leonid Kuchma's presidency, his political base shrunk again to a thin segment of centrist forces. In his choice of political tactics, Leonid Danilovich will most likely have to build his support base by aligning himself with the positions of the Interregional Bloc of Reforms [MBR] and the New Ukraine. On the one hand, they had been created from the start as pro- presidential political organizations and are headed by members of his team. But on the other hand, their program goals differ in two principal points: The MBR advocates a federative system for Ukraine and official recognition of two languages, and New Ukraine—a unitary state and recognition of the Ukrainian language as a state language.

Balancing between the positions of the two will let the president enter into agreements with the "right" and "left" and hence ensure the flexibility of their strategic line.

Economic Issues

Kuchma Instructions To Write Off Bad Debts

LD2308194695 Kiev Radio Ukraine World Service in Ukrainian 1800 GMT 23 Aug 95

[FBIS Translated Text] Ukrainian President Leonid Kuchma today made public instructions on financial support for enterprises and organizations. In particular, the president rules as follows:

As of 1 September 1995, the National Bank of Ukraine is to settle the matter of commercial banks writing off bad debts by enterprises and organizations in respect of interest on loans made available (?by these banks) for repayment from their future earnings.

The National Bank and Finance Ministry of Ukraine, within two weeks, are to define a procedure for the determination of bad debts and to arrange for these to be written off.

Statistics on Privatization in Kiev

WS2508085395 Kiev KHRESHCHATYK in Ukrainian 18 Aug 95 p 3

[Report by unidentified correspondent: "Only Facts and Figures"]

[FBIS Translated Text] Over 40,000 entrepreneurial structures have been registered in Kiev. The dynamic increase in the number of small enterprises and people employed in them indicate that there is entrepreneurial development. Currently, there are over 30,000 small enterprises in which approximately 200,000 people are employed. Such elements of the market economy infrastructure as commercial banks — there are 77 of them in Kiev, investment companies — 606, insurance companies — 40, auditing companies and the like are expanding. In connection with these facts, one should mention the level of unemployment in Kiev. Under the background of Ukraine's overall poor economic figures, only 659 unemployed people — or 0.76 percent of the general national indicator — have been registered in Kiev. This implies that a labor market has not been created in the city [as published]. The percentage of revenues acquired for the city budget from commercial structures amounts to 46.7 percent, and during the period January-May 1995 it amounted to 51.2 percent.

In their relations with entrepreneurial structures, the local authorities use economic motivation methods by encouraging the development of structures which work to the Kiev residents advantage, producing commodities and providing services which are needed by the city and its inhabitants. These kinds of entrepreneurial structures are granted the right to lease municipal premises, and also plots of land meant for construction activities. There are still many unresolved issues connected with registration of entrepreneurial structures, control of their activities, payment of taxes, protection of work, etc. But, all of these issues are known by the local administration, and the appropriate organizational structures are working to develop solutions.

The Ukrainian Law "On Privatization of State-Owned Enterprises' Property" envisages privileges and social protection for the employees of privatized companies, as well as for former employees who retired, and other privileged residents.

As of 1 June 1995, 259 municipal facilities were privatized, which provided 109 billion karbovantsi to the city budget.

Approximately 30,000 municipal employees and privileged residents were able to use their privatization certificates to acquire nominal valued taxes for their privatized properties.

A number of social facilities (e.g. scouts's camps, recreation facilities) which were built using enterprises' funds have been given to the association of purchasers. Privatization activities have accelerated in general. During the January-May 1995 period, around 178 facilities were privatized, including 29 state-owned properties, and 57 city municipal properties — which constitute 32 percent of the total number of privatized facilities. According to the data, Kiev comes fifth among Ukraine's regions [in privatization.]

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In total, 1,029 facilities were privatized in Kiev from 1992 to May, 1995 (which was 35.9 percent of the total number of facilities submitted to be privatized.) This included 344 state-owned properties (the third largest part of the total number of privatized properties), 259 municipal properties (the fourth largest part of total number), and 426 rayon-owned properties.

National Bank Chairman's Monetary Policy Viewed

AU2408200595 Kiev HOLOS UKRAYINY in Ukrainian 22 Aug 95 pp 1, 2

[Report by Serhiy Vlad: "Ukraine's National Bank Looks Into the Possibility of Introducing a 'Dollars Corridor' at Currency Exchange Auctions"]

[FBIS Translated Text] At a news conference, Viktor Yushchenko, chairman of the board of Ukraine's National Bank [NBU], disclosed some details of the "quiet war" under way on the currency market. He started with a remark that, on the battlefield, the NBU has not been a infantry soldier, but at least a general. And remains such.

In his opinion, there are many factors pointing to this. First, any war involves casualties, especially if it is waged against the background of financial stabilization. It was clear to the NBU that combat would intensify at the Ukrainian Interbank Currency Exchange [UMVB], whence the devaluation of the national currency was to start.

According to Yushchenko, had it not been for monetary measures (currency interventions between 29 July and 17 August, for example, constituted almost $40 million), the consequences of "Black Friday" would have been much worse. Today, the NBU has almost ceased currency interventions and is again acting as perhaps the main purchaser of dollars. Incidentally, the professionalism of the NBU as the general is also confirmed by the fact that the banking system has quite successfully resolved the problem of liquidity of means of payment: There was a shortage of cash (when it was time to pay for grain, to allocate funds for large-scale payments of salaries in the budgetary sphere, or to finance measures associated with preparations for autumn and winter) and then excessive amounts of cash (after ban was imposed on circulation of freely convertible currency). The chairman of the NBU board believes that, today, taking into account the parameters of the already printed new means of payment, the monetary mass in circulation within the banking system and outside it enables one to conclude that the processes on the currency market are fully under control. Figuratively speaking, there is enough time to coordinate a future strategy at a "military council." It appears that such a council convenes almost on a daily basis: It has become known that Viktor Yushchenko was late for the news conference because he had to report to the prime minister, who was naturally curious about the final outcome of the "quiet war." Because the stakes are so high: Stability of the future monetary unit! To judge from Viktor Yushhenko's mood, some generals of the monetary reform are inclined to establish a fixed rate of the hryvnya against the dollar and other currencies, as it was under the field marshal, Yukhym Zvyahilskyy [former acting prime minister]. Some (most likely Viktor Pynzenyk and others) would prefer the rate of the hryvnya firmly linked to the dollar; others (most likely Vasyl Yevtukhov and others) a floating rate. It appears that Yushchenko is keeping to the golden mean in advocating a "soft" pegging of the rate of the hryvnya to the dollar. It is known that the project of the so-called "currency corridor" is being vigorously discussed within the NBU's walls, a project that has received high praise in the Russian Federation. Yushchenko is right: Such a "corridor" will demonstrate the strength of the state policy and the NBU's ability to prevent a crisis on the financial market. However, there is no consensus at the "military council" table. To achieve it, it may be necessary to seek the resignation of some general.

It is already clear, however, that the NBU will outlive the corporal [kapral]. [sentence as published]

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Belarus

Polish Embassy Reacts to Lukashenka's Accusations

WS2408135795 Minsk NARODNAYA GAZETA in Russian 23 Aug 95 p 1

[Report by Alyaksandr Acharotny: "Proletarians of Three Countries Unite?"— all quotation marks as published]

[FBIS Translated Text] "The free trade unions, which organized the strike of trolley bus drivers and subway employees, are receiving substantial financial assistance from U.S. and Polish trade unions, including the famous Polish 'Solidarity'" — this was the meaning of President Lukashenka's statement presented during one of his televised addresses, which have already become traditional.

To our request to comment on Lukashenka's words, the press service of the U.S. Embassy has replied that since the U.S. side has not yet discussed this issue, there is so far no official stance on it.

The Poles proved to be more cooperative. Here is a commentary by Pawel Kocz, press service deputy secretary of the Polish Embassy in the Republic of Belarus: "Interstate contacts among trade unions are completely normal, and even useful. One should not be surprised at this, let alone afraid. Similar contacts do not concern relations between our states, since trade unions are nonstate organizations. And how they support one another — financially or morally — or whether they support one another at all is the sole concern of the Belarusian free trade unions and 'Solidarity.' This statement can be considered the official stance of the Polish Embassy in Belarus."

Thus, we currently have the opportunity to think again about such notions as proletarian internationalism, international solidarity of workers, and "popular diplomacy." We had the opportunity to think about this genuinely and spontaneously only after the collapse (I hope irreversible) of the communist system. Perhaps the classical authors of the immortal doctrine were not entirely wrong?

Syanko Explains Crackdown Against Subway Strikers

LD2408175295 Minsk Radio Minsk Network in Belarusian 1600 GMT 24 Aug 95

[FBIS Translated Text] Belarusian Foreign Minister [Uladzimir] Syanko had a meeting today with the heads of diplomatic missions accredited in Minsk. The main issue at the meeting was the strike at the Minsk metro, an event that over the past few days has drawn the attention of both the Belarusian and the foreign press.

It was emphasized that the strike caused social tension in the capital and brought considerable material losses to enterprises and establishments. The attention of the foreign diplomats was drawn to the fact that in Belarus, as in many other countries, the holding of strikes on certain forms of transport is forbidden by law. In the circumstances that had come about, said the minister, the country's leadership was forced to display decisiveness and firmness in restoring order in the operation of this important transport artery of the city, and these actions were supported by the majority of the population.

Syanko emphasized that the events surrounding the strike were an internal affair of our state, and expressed the hope that people abroad will display understanding and objectivity in assessing the processes taking place in Belarus.

The Minsk prosecutor Kupryyanaw took part in the meeting.

Troop Commander, Trade Union Leader Interviewed

WS2408145895 Minsk BELORUSSKAYA DELOVAYA GAZETA in Russian 21 Aug 95 p 3

[Interview with General Valyantsin Ahalets, commander of the Belarusian Interior Ministry Troops; and Henadz Bykaw, chairman of the Belarusian Independent Trade Union, by Pavel Sheremet; place and date not given: "One May Beat Up Representatives of the People, But One Must Not Beat Up the People" — first paragraph is BELORUSSKAYA DELOVAYA GAZETA introduction]

[FBIS Translated Text] **The Belarusian authorities unconventionally celebrated the anniversary of the Moscow putsch — by sending special task police units and Interior Troops against striking subway employees. There were two main participants in the events that took place at the Independent Trade Union headquarters: Independent Trade Union Chairman Henadz Bykaw and General Valyantsin Ahalets, commander of the Interior Troops. Although there were, naturally, other figures, they kept bitterly silent. Asked by us what he was doing there, only KGB Deputy Chairman Valery Kez was courageous enough to answer: "I was just passing by." Yury Babrovich, chief of the Presidential Administration Protection Directorate, also attended the "event."**

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[Sheremet] Mr. Ahalets, which state leader gave you the order to resolve this labor conflict with the help of Interior Troops and special task police units?

[Ahalets] First and foremost, nobody gave me such an order. Second, we resolved this conflict normally.

[Sheremet] So, did you yourself decide to cordon off this rayon, block entrance to the Independent Trade Union headquarters, and dispatch several trucks of special task policemen for talks with 200 strikers?

[Ahalets] The point is that if people want to resolve some problems emotionally and quickly, this always is provocative. You understand what consequences may follow this. We, the people protecting order, should always be ready to avoid such consequences.

[Sheremet] And who personally supervised this protection of order? Was it the president?

[Ahalets] I am able to perform my responsibilities myself. Since I was appointed duty officer of the Interior Ministry leadership, I oversaw the situation. I think that something that has been developing for longer than five minutes should not be resolved within three minutes.

[Sheremet] You should understand that it is impossible to resolve labor conflicts with the help of special task police units.

[Ahalets] You eyewitnessed that we resolved this conflict without special task police.

[Sheremet] Judging by the number of your men, however, it seems that you were ready for the most decisive actions.

[Ahalets] I would not put it this way. In this service, I am always ready for everything, since in similar events those who suffer are uninvolved people. [end Ahalets interview]

After subway employees set out to the Minsk City Executive Committee building, General Ahalets and several KGB officers held a conversation with Henadz Bykaw behind closed doors.

[Bykaw] I can see that the leadership believes that this problem can be resolved by forceful methods. If there are people, there is a problem, if the people disappear, the problem disappears. If the strike leaders are isolated, the strike will end. The Prosecutor's Office and KGB have attempted to intimidate the leaders of the subway trade unions. This was a gross mistake. While people were still undecided yesterday, now they are ready to fight until the end. There is only one solution — we must reach an agreement, because the situation is getting out of control.

[Sheremet] Is it possible that the situation will reach the extremes?

[Bykaw] Everything depends on the other side.

[Sheremet] What was the topic of these spontaneous talks?

[Bykaw] It was a general conversation. They explained themselves how serious the entire situation is. Ahalets was ordered to clean this area. We advocate peaceful settlement of the conflict. So far, they agree. But neither they nor [Minsk Mayor] Yarmoshyn are not those who will decide. If the president decides to clamp down on workers, the wave of protest will be very impressive.

NARODNAYA HAZETA Correction to New Minister, Deputy Ministers

WS2408132795

Minsk NARODNAYA HAZETA in Belarusian on 23 August, on page 1, carries a 100-word BELINFARM correction of its referent report headlined "Lukashenka Appoints New Minister, Deputy Ministers" published in the 23 August Central Eurasia DAILY REPORT, page 63, making paragraph three, only sentence read... Additionally, Lew Antonavich Dubovik was appointed deputy minister of fuel and...correcting title.

Moldova

Commander Denies Russian Arms Pullout To Begin 25 Aug

AU2408135695 Chisinau INFOTAG in English 2200 GMT 23 Aug 95

[FBIS Transcribed Text] Tiraspol, August 23 (INFOTAG) — The commander of the Dniester-based Russian contingent, Major General Valeriy Yevnevich, has refuted information that Russian armaments and machinery will allegedly begin to be withdrawn from the region very soon. Some Chisinau media have announced that the first four railway trains with the military stuff will depart for Russia already on 25 August. Valeriy Yevnevich said over the National Radio that currently his troops are accomplishing a thorough inventory of the armaments, analyzing its technical state, and determining the contingent's needs in them. "The inventory will be completed by the end of August, and we will send our recommendations to the Russian Defense Ministry. To remove the armaments, to leave them here, or to sell — this is in the competence of the ministry. The stuff, really, is in excess amounts — much more than what the contingent needs to fulfill its mission. But the decision will be taken in Moscow," the general stressed. He dispelled rumors that a certain portion of the armaments are being passed to Dniester authorities. He

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said that subject to realization are only trucks and some means of communication, which are too old to present any interest for the Defense Ministry. The general said the contingent keeps on annihilating mines and shells manufactured in the forties. By the end of August, the troops will accomplish the blasting of a scheduled lot of ammunition, after which another phase of blasting operations may be started.

Sangheli, Dniester Leader Agree on Joint Rail Project

AU2408134095 Chisinau INFOTAG in English 2200 GMT 23 Aug 95

[FBIS Transcribed Text] Tiraspol, August 23 (INFOTAG) — Moldovan Prime Minister Andrei Sangheli and Dniester leader Igor Smirnov have agreed over the necessity of undertaking joint efforts to solve economic problems. They made the statement at their meeting here last Monday [21 August].

Sangheli and Smirnov visited the railway section between Tiraspol and Kuchurgan (on the Ukrainian border,) and the railway stations of Bendery, Tiraspol, and Kuchurgan, having studied problems related to the forthcoming electrification of the railway.

According to Radio Dniester, Tiraspol has already allocated 70 percent of the investments necessary to electrify the Dniester portion of the railway. Both leaders have agreed with the necessity to allocate money to electrify the entire way between the Romanian and the Ukrainian borders.

Will To Politically Solve Dniester Crisis Reiterated

AU2408134195 Chisinau INFOTAG in English 2200 GMT 23 Aug 95

[FBIS Transcribed Text] Chisinau, August 23 (INFOTAG) — The political settlement of the Dniester conflict is the only method to achieve accord and preserve the territorial integrity of the Republic of Moldova, President Mircea Snegur said at today's meeting with representatives of the Volunteers Movement.

The president has highly appraised the movement's activities, including the ones aimed at social protection of the armed conflict participants, widows, and children of those killed in the 1992 bloodshed.

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Kazakhstan

Pakistan's Bhutto Ends Visit, Leaves for Kyrgyzstan

LD2508094395 Moscow ITAR-TASS World Service in Russian 0606 GMT 25 Aug 95

[By ITAR-TASS correspondent Gennadiy Kulagin]

[FBIS Translated Excerpt] Almaty, 25 Aug — A Pakistani Government delegation has ended a visit to Almaty by adopting a joint statement on the prospects for bilateral cooperation between Pakistan and Kazakhstan. The agreement was signed by Pakistani Prime Minister Benazir Bhutto, who was at the head of the delegation and Kazakh President Nursultan Nazarbayev.

The foreign ministers of the two countries Qasymzhomart Toqayev and Sardar Asif Ahmad Ali signed during the visit an agreement on mutual assistance in civil, family, and criminal cases, an inter-government treaty on dual tax exemption and avoiding evasion of income tax payments, an agreement on mutual trips of citizens, and a visa memorandum. [passage omitted]

The Pakistani Government delegation left for the Kyrgyz capital Bishkek this morning.

Means To Control Almaty Pollution Sought

954F3151A Almaty EKSPRESS-K in Russian 17 Aug 95 p 5

[Article by Aleksandr Mironyuk, chief of the Almaty city ecology and biological resources administration department for state control over the protection of atmospheric air: "Is It Possible To Clear the 'Lungs' of the City With Tied Hands"]

[FBIS Translated Text] The condition of Almaty's air basin has been disquieting for a long time. Resolutions concerning improvement of the ecological situation in the capital were passed repeatedly, but the practical return from them was not always significant. Therefore, it was decided to start a real fight for clean air with control over motor transport, which is the main source of harmful emissions and pollution of the air basin of the city.

The third session of the Almaty city maslikhat-assembly adopted a decree on 14 October 1994 "On Questions of Improving the Ecological Situation in Almaty," which, in particular, put into operation the "Statute on Ecological Control of Almaty's Motor Transport," starting on 1 January 1995, with the mandatory conduct of an ecological inspection of motor transport (both state and local) at special control-regulation points (KRP) and the issuance of ecological coupons that corroborate conformity of the contents of harmful substances in exhaust gases to GOST [state standards] requirements.

The implementation of ecological control over motor transport started on 20 March 1995. Of course, the process of introducing the innovation was not smooth. Car owners had many unfavorable criticisms of the work of the KRP's, because of the forced standing in line. But the work was gradually put right, and the number of KRP's was increased. More than 20 were already in operation in April. Car owners also complained about the high prices (they fluctuated from 160 to 380 tenge for determining toxicity and the execution of regulatory work). By the way, all of the calculations were checked by the State Committee on Price and Antimonopoly Policy. Taking the desires of drivers into account, the city administration coordinated the prices with the Committee on Price and Antimonopoly Policy and the city economic committee and established their maximum limit. The maximum price for an ecological inspection of a car produced in this country was 30 tenge, and for an imported car—50 tenge. The price for one ecological coupon was 60 tenge. The analysis of the condition of motor vehicles that visited KRP's showed: Practically all of them did not meet the norms—the vehicles were being operated with a toxicity of exhaust gases that was excessive by a factor of three to five.

About 200,000 motor vehicles are counted in the city today (more than 80 percent of them are privately owned). And while some kind of control is exercised over motor vehicle transport in state enterprises, private motor transport is in a neglected state. Incidentally, a vehicle with an untuned engine emits just as many harmful substances into the atmosphere as do five tuned vehicles. The introduction of ecological coupons compelled motor vehicle owners to think about the problem of air pollution and to take practical steps to reduce harmful emissions into the atmosphere.

The work on ecological control of motor vehicles was moving along, but on one fine day, as they say, there was a clap of thunder. A group of veterans and war and labor invalids filed a collective complaint with Procuracy organs. It, in turn, was readdressed to the city Environmental Protection Procuracy. The latter on 13 June 1995 sent a written statement to the city ecology and biological resources administration in which it declared the ecological coupons illegal. The following arguments were presented.

In the opinion of the Environmental Protection Procuracy, the third session of the city maslikhat-assembly violated Article 40 of the "Law on Local Representative and Executive Organs of the Republic of Kazakhstan" and Article 10 of the law "On Environmental Protec-

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tion." It was further declared that on 15 February 1995 V. Khrapunov, the first deputy chief of the city administration (now the minister of power engineering and the coal industry—A.M.) illegally, in violation of Article 32 of the law "On Local Representative and Executive Organs of the Republic of Kazakhstan," approved a protocol decision on the question of introducing a system of cleaning gases and ecological control of motor transport. An analogous statement was made about the illegality of the protocol decision concerning the renewal of work to introduce ecological coupons, which was signed on 2 June 1995 by M. Dulkairov, the deputy chief of the city administration.

From 17 March to 5 May 1995 the city ecological administration issued 33 permits to organizations, institutions, and small private and joint enterprises to conduct control-regulation work with a right to issue ecological coupons. The Environmental Protection Procuracy also declared that they are illegal and subject to cancellation. The justification: The city ecological administration was not granted the right to issue the aforementioned permits (in addition, there is a reference to the "Statute on the City Ecological and Biological Resources Administration," which was approved on 10 August 1991 by the Ministry of Ecology and Bioresources). In the opinion of the Environmental Protection Procuracy, Internal Affairs organs have been assigned such rights (according to Article 9 of the law "On Internal Affairs Organs of the Republic of Kazakhstan"). Control over compliance with norms and standards that establish requirements for the construction and technical condition of mechanical transport resources that are in operation, and also the conduct of a state technical inspection of mechanical transport means, must be exercised by the GAI [State Automobile Inspection] (according to Item 11 of the "Statute on the GAI of the Ministry of Internal Affairs of the Republic of Kazakhstan" under N 967, which was approved by the Cabinet of Ministers of the Republic of Kazakhstan on 23 November 1992), but not by the city ecological administration and private enterprises.

Thus, the Environmental Protection Procuracy declared illegal the actions of the city maslikhat-assembly of deputies and the city ecological and biological resources administration in the aspect of introducing ecology coupons and demanded that the operation of the permits issued for the conduct of control-regulation work be stopped.

However, the city ecological and biological resources administration does not agree with the injunction of the Environmental Protection Procuracy and is in turn setting forth its counterarguments and arguments.

The Environmental Protection Procuracy declares that control over the technical condition of motor vehicle resources (including control over the condition of engines) should be conducted by GAI organs. At the same time the MVD [Ministry of Internal Affairs] replies to the city ecological and biological resources administration that ecological control is not a specific feature of MVD work. But who, nonetheless, should conduct it (incidentally, at one time the staff of the city GAI included an ecology company; however, its work was considered inexpedient, and it was disbanded last year). GAI employees make toxicity measurements, but this work is not conducted on a full scale. Measurements are made only at several posts at the entrance to and exit from the city.

At the moment when the Environmental Protection Procuracy halted the work on the issuance of ecological coupons approximately 40,000 vehicles had undergone ecological control. The city ecological administration can guarantee that these vehicles meet GOST requirements.

Unquestionably, motorists should have the right to choose (including the KRP). But it is impossible to let things slide with respect to the matter of improving the air basin of the capital. It is said that the peasant does not cross himself until the thunder peals. The awareness and ecological education of the population are still extremely low. Therefore, it is difficult to expect that tomorrow all motorists will rush, without additional reminders, to bring the engines of their motor vehicles in order. Consequently, it is difficult to expect that the air will be cleaner in the city tomorrow. The city ecological administration is not rushing to be a monopolist. But somebody should exercise ecological control over motor vehicles? [punctuation as published] Incidentally, special ecological control points are already operating in Russia that implement the regulation of motor vehicle engines and issue special certificates to motor vehicle owners concerning the conformity of transport means to established ecological norms. But our motor vehicles were and still remain neglected.

The city ecological administration is obligated to carry out the decision of the legislative organs (including the maslikhat-assembly). Protocol decisions of the city administration determine the procedure and terms of carrying out such decisions. The deadline for ecological control of all capital motor transport was established for 1 September 1995. The hands of the city ecological administration are tied by the "rope" of the injunction of the Environmental Protection Procuracy. Who will untie the knot?

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Kyrgyzstan

'Serious Concern' Over Chinese Nuclear Test

LD2408151595 Moscow INTERFAX in English 1325 GMT 24 Aug 95

[FBIS Transcribed Text] Bishkek, Aug 24 (INTERFAX) — Kyrgyzstan is seriously concerned about the recent test of a nuclear device conducted by China at the Lob Nor test site, said the Kyrgyz Foreign Ministry in a statement released in Bishkek on Thursday [24 August].

"The continuation of nuclear weapons tests by China is not conducive to strengthening confidence and security in the Asia-Pacific region; it destabilizes the constructive dialogue held between nuclear powers on banning all nuclear tests and signing a corresponding agreement," the statement points out.

Kyrgyzstan's Foreign Ministry urges China to exercise restraint in the future and refrain from resuming the development of nuclear programs.

Pakistani Route to International Trade Ports Eyed

LD2408184095 Moscow INTERFAX in English 1655 GMT 24 Aug 95

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovskiy, and edited by Vladimir Shishlin]

[FBIS Transcribed Text] Economic cooperation with Pakistan will let Kyrgyzstan use the shortest route to international merchant ports in Karachi, a presidential expert has said. Yevgeniy Kablukov, an expert of the international department at President Askar Akayev's staff was speaking on the eve of the Pakistani Prime Minister Benazir Bhutto's visit to Bishkek.

"For Kyrgyzstan, geographically located in a 'dead end', the project to build a highway through China and Pakistan to the Indian Ocean is extremely important, because it gives Kyrgyzstan access to countries in Asia and the Pacific," Kablukov said.

He recalled that Kyrgyzstan's contacts with Pakistan began when President Askar Akayev visited Pakistan in December 1994 and signed a number of basic agreements, such as the declaration of the principles of bilateral relations, the agreement on trading and economic cooperation, automobile transport links and development of tourism.

Kablukov said that Pakistan regarded Kyrgyzstan as its gate to the Central Asian market. He said that all the safe roads to countries Islamabad was interested in, such as Turkmenistan, Uzbekistan and Kazakhstan, lay through Kyrgyzstan.

Kablukov said that Pakistan, which experienced a shortage of electricity, was interested in its import from Kyrgyzstan. An agreement had been concluded with the World Bank on financing that project.

The presidential expert said that when Prime Minister Bhutto visited Bishkek, agreements would be signed on the mutual encouragement and protection of investments and on the struggle against drugs.

An exhibition of Pakistani goods contributed by more than 60 firms would be held in Bishkek on august 26-31. It will be timed for Prime Minister Bhutto's visit.

Pakistani Prime Minister Arrives in Bishkek

BK2508103395 Islamabad Radio Pakistan Overseas Service in English 0800 GMT 25 Aug 95

[FBIS Transcribed Text] Prime Minister Benazir Bhutto arrived in Bishkek this morning on a two-day official visit to Kyrgyzstan. She was warmly received by President and Madame Askar Akayev.

Formal talks between Ms. Benazir Bhutto and Prime Minister Abbas Dzhumagulov of Kyrgyzstan are being held this afternoon. The prime minister will meet President Askar Akayev who will also host a banquet in her honor. The prime minister is visiting Kyrgyzstan to attend the millennium celebrations of (Mannas), the legendary hero of Central Asia.

Earlier, she was given a warm send-off on her departure from Almaty after a three-day visit to Kazakhstan. Talking to newsmen, she expressed complete satisfaction over the outcome of her talks with Kazakh leaders. The two countries, she said, wanted to have very close relationship in trade and commerce. The prime minister said she exchanged views at length with President Nursultan Nazarbayev over Kashmir, Afghanistan, and to bring stability in Tajikistan. She said the two countries have set up two committees to look into the possibility of import of wheat and meat by Pakistan at competitive rates. Kazakhstan has offered to transport these items up to Gilgit.

Ms. Benazir Bhutto said the two countries have agreed to work together and set up a joint economic commission which will be meeting in Islamabad this year to take forward the decisions taken during the meeting of the leaders of the two countries.

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Turkmenistan

Iran's Ruhani Arrives in Ashgabat

NC2508063195 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian 0330 GMT 25 Aug 95

[FBIS Translated Text] The deputy speaker of the Islamic Majles, Hasan Ruhani, leading a high-level politico-parliamentary delegation on an official visit to Central Asia and the Caucasus, left Georgia yesterday. He arrived in Ashgabat, the capital of Turkmenistan, and was accorded a warm welcome by the parliamentary speaker and other officials.

Before leaving Georgia, he answered questions from correspondents at a news conference. Rowhani described his visit to Georgia as positive and stressed that officials of the two countries reached important agreements in every field during this visit.

Government To Export Gas to Japan

LD2308080995 Moscow ITAR-TASS in English 0723 GMT 23 Aug 95

[By Pavel Spirin]

[FBIS Transcribed Text] Beijing, August 23 (ITAR-TASS) — The world's three oil giants — American Exxon, Japanese Mitsubishi and the Chinese National Oil Corporation — have signed here an agreement on setting up a transasian gas pipeline. Under the agreement, Turkmenistan will export its gas to Japan through Uzbekistan, Kazakhstan and China in the near future.

The project discussed since 1992 is considered to be one of the major ones in the world, Chinese National Oil Corporation vice-president Zhou Yongkang told ITAR-TASS on Wednesday [23 August].

The pipeline will be eight thousand kilometres long with two kilometres crossing the seabed, possibly in South Korea's territorial waters.

The pipeline is to play the key role in the development of the energy sector of all the Asian-Pacific region, the businessman said.

According to Chinese experts, Turkmenistan's gas resources exceed 20 trillion cubic metres.

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Azerbaijan

Visiting Turkish Delegation Discusses Pipeline Route

NC2408205595 Baku TURAN in English 1149 GMT 24 Aug 95

[FBIS Transcribed Text] Baku /24.08.95/ TURAN — On August 23 the Turkish delegation led by the Advisor of the Prime-Minister for Economy, Coordinator for pipelines, Emre Gonensay, visited Baku. The delegation included the General Director of the company "Turkiye Petrolleri" [Turkish Petroleum], Sidki Sancar, the General Director of the company "Botash" (engaged in pipelines), Hayreddin Uzun, and others. During his visit to Baku Mr. Gonensay has met with the Prime-Minister, Fuad Guliyev, and SOCAR's [Azerbaijan State Oil Company] President. According to several sources Gonensay has also met with the President of AIOC [Azerbaijan International Operating Company], Mr. Terry Adams. The project of construction of pipeline Baku-Supsa-Trabzon has been discussed during the meetings.

The results of the meetings are not reported.

Recently the western press reported Russian Ambassador in Turkey, Vadim Kuznetsov, presented the position of its Government to this issue. The Russian Government demands specification of the Caspian sea status as a preliminary condition for utilization of its resources. At the same time the Ambassador gave to understand that Moscow will not raise this problem, if the oil be shipped to the west through Novorossisk.

The Deputy Foreign Minister of Russia, Albert Chernyshev, is expected to arrive in Azerbaijan in the coming days. The purpose of the visit is to force Baku to lay the pipeline through Russia.

Baku Ponders Options For Oil Export to West

LD2408184595 Moscow ITAR-TASS in English 1752 GMT 24 Aug 95

[By Sevinj Abdullayeva and Viktor Shulman]

[FBIS Transcribed Text] Baku, August 24 (ITAR-TASS) — It is not ruled out that Azerbaijan will make its final choice of the route for its oil exports to the West as early as the beginning of October, according to Art McHavey, first vice-president of Azerbaijan's international operator company set up here to implement the agreement on joint development of three Caspian-shelf oilfields.

The agreement was signed last September between an international consortium and Azerbaijan's State oil company.

According to McHavey, the operator and the oil companies are now studying an alternative between a route leading through Georgia to the port city of Poti on the Black sea coast or through Russia to the Black sea port city of Novorossisk. Both are acceptable from the technical point of view, and experts are looking into comparative commercial advantages offered by either.

Both the Georgian and Russian governments are ready to provide high-level guarantees of security of the future pipeline if it runs through their respective territories.

Azerbaijan's choice will probably be also influenced to a certain extent by Turkey's latest statement on backing the Georgian version and Ankara's readiness to buy up all the oil designed for export via Georgian territory.

The amount of crude to be transported by Azerbaijan to the West starting in the second half of 1996 is estimated at five million tonnes a year, all of it coming from the contract oilfield "Chyral."

McHavey told the briefing about the operator company's work over the past three months, which included geophysical and ecological survey of the area where the contract oilfields are located, modernization of specialized ships of the Azerbaijan State oil company and the building of a compound for foreign specialists in Baku.

Justice Ministry Refuses To Register Two Parties

NC2408205495 Baku TURAN in English 1149 GMT 24 Aug 95

[FBIS Transcribed Text] Baku /24.08.95/ TURAN — August 23 the collegiate of the Ministry of Justice considered the legitimicy of registration of the parties "Milli Gurtulush" [National Liberation], "Democrat", "Dogru Yol" [True Path], and "Yurddash" [Compatriot].

The collegiate of the Ministry of Justice believes the documents of the parties "Democrat" and "Milli Gurtulush" violate the law. The Ministry of Justice has given these parties additional time to eliminate the shortages.

Due to lack of representatives of the parties "Dogru Yol" and "Yurddash" at the collegiate the Ministry of Justice postponed consideration of the documents of these parties.

Democratic Independence Party Strife Noted

954F3153A Baku ZERKALO in Russian 15 Jul 95 No 26, p 3

[Article by N. Aliyev: "Split in the Azerbaijan Democratic Independence Party"]

[FBIS Translated Text] G. Guseynli's dismissal from the position of state counselor has led to several antagonistic

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groups forming in the PDNA [Azerbaijan Democratic Independence Party].

Almost a month has already passed since the memorable presidential edict on the removal from office of Gabil Guseynli, state counselor of Azerbaijan. The presidential edict had at that time very loud repercussions in the domestic political arena, inasmuch as G. Guseynli is the leader of the Azerbaijan Democratic Independence Party, which supports the national leadership. The intentionally harsh wording of the edict—"political double-dealing and insincerity"—and also the speech of Ramiz Mekhtiyev, the president's chief of staff, at a public meeting devoted to the events of 13-17 March, at which, citing the reasons for the dismissal of the state counselor, he declared that G. Guseynli had at the time of the March events impeded in every possible way President G. Aliyev's return from Copenhagen and had in conversation repeatedly expressed the opinion that G. Aliyev's positions had weakened and that the opposition was strengthening and uniting and so forth, could not have failed to have attracted public attention.

Shortly after Guseynli's dismissal, the PDNA Political Assembly issued a statement that said that G. Aliyev's edict on the removal of the state counselor from office would in no way influence the party's position—it would remain unchanged in the sense of the party continuing to unconditionally support the president's course.

After such a statement, it became clear that the political career of the former state counselor was over and that the question of whether G. Guseynli would remain a cochairman of the PDNA undoubtedly had to come up. Several days after Guseynli's dismissal, Vilayet Kuliyev, a leader of the Democratic Independence Party, declared in response to a question of a ZERKALO correspondent as to whether the former state counselor would remain a party chairman that since he had been elected to this position by the congress, only it could dismiss the old and elect a new chairman. V. Kuliyev added, however, that there would be members in the party who could demand G. Guseynli's resignation at the PDNA congress this fall.

Some time elapsed, and events showed that V. Kuliyev, while right in saying that there would in the party be people who would demand Guseynli's resignation, was mistaken as regards the time frame. The party's highest body—the PDNA Supreme Assembly—in which, by all accounts, a split occurred, met last week. The Assembly adopted a statement that approved the analogous document of the party's Political Assembly adopted on 20 June in connection with Guseynli's dismissal. The document emphasized that the dismissal from office of a cochairman had caused a real commotion among some party members who had "penetrated PDNA ranks for opportunist purposes." This group demanded the resignation of the cochairmen of the PDNA, "despite the fact that they were elected at the congress and that only the congress, which will be held in the fall, can accept their resignation." This explanation did not satisfy the malcontents, and they staged a walkout.

In turn, 23 members of the Supreme Assembly, two members of the Party Control Committee, and seven municipal and several rural rayon organizations of the Democratic Independence Party signed a statement in which they expressed no confidence in the party leadership and demanded the convening of a special congress. After this matter had been left off the agenda, G. Chakhmagly, member of the PDNA Political Council and chief editor of the party newspaper YETENDASH, submitted his resignation in protest. In response, the PDNA Assembly expelled these people from the party.

This put an end to the conflict, seemingly. But AZERBAYDZHAN, the organ of the Supreme Council, and certain other newspapers unexpectedly carried a statement of the group of members of the party's Supreme Assembly that had been expelled from the PDNA. Commenting on this event, Vilayet Kuliyev, cochairman of the Democratic Independence Party, declared that, in his opinion, this group was backed by some forces that want to split the party. "It is the first time that an official paper has published such statements," V. Kuliyev said. In his opinion, these actions pursue a single goal—"The people behind this statement want party members to turn their backs on Gabil Guseynli." As far as a split within the party is concerned, V. Kuliyev said in response to a question of our correspondent as to whether it would not be better to relieve G. Guseynli of his position of cochairman of the PDNA in order to avoid this, that it was premature to speak of a split within the party. "I do not want G. Guseynli to resign, and the entire party leadership is together with me," V. Kuliyev declared. "We will raise the question of confidence in the entire party leadership at the PDNA congress this fall." Nonetheless, according to the cochairman of the Azerbaijan Democratic Independence Party, "the situation could change at any moment," and G. Guseynli will, possibly, be in a position to perform a notable role in the PDNA.

Thus, several groups pursuing different goals have, in fact, taken shape in the Democratic Independence Party at this time. The first two groups advocate G. Guseynli's resignation. The disagreements between them amount, by all accounts, to the fact that one group is for the PDNA leader's immediate resignation, the second, for the matter being raised in the fall, at the party congress.

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In addition, there are also those who are altogether opposed to the resignation of the former state counselor.

It is hard at this time to conjecture as to which group's opinion will win. But if it is considered that, according to unconfirmed, but apparently reliable, information, the PDNA leadership was notified shortly after G. Guseynli's dismissal of the true reasons for this event and, in addition, that representatives of the party leadership were given a chance to hear a tape recording of a conversation in the course of which charges were leveled at Guseynli, which he has simply never refuted, the position of those who are opposed to G. Guseynli's resignation gives rise to a certain perplexity. In addition, it went unnoticed by the party leadership and the rank and file, by all accounts, that literally two days after his departure from the post of state counselor, Guseynli met with Sardar Dzhalaloglu, leader of a most implacable part of the democratic camp—the Azerbaijan Democratic Party. According to the DPA press service, in the course of the meeting there was an "exchange of opinions on the political consequences of G. Guseynli's dismissal as state counselor." Guseynli himself categorically denies that the meeting took place. But the DPA press service confirmed its report. Nor has the exclusion of the PDNA from a roundtable at a recent session of this political association added to stability in the party.

In conversation with a ZERKALO correspondent Gafar Chakhmagly, editor of VETENDASH, the organ of the PDNA, declared that the crisis that the party is now experiencing is no accident. "Unfortunately, the PDNA leaders, attempting to realize their personal interests, are taking advantage of the party's center position. Party members have always greeted the leadership's maneuvers with dissatisfaction. Recently, however, democratic principles have been forgotten altogether," G. Chakhmagly said. According to him, "It has reached the point of M. Gurbanly, a cochairman of the PDNA, threatening dissidents with expulsion, and when Gabil Guseynli was expelled from his post with the stigma of double-dealer, the party leadership lost its head completely."

G. Chakhmagly maintains that after the group of members of the Supreme Assembly had walked out, there was in the highest body of the PDNA no quorum, and, "consequently, all the decisions adopted after this are illegal." The editor of VETENDASH is sure that a split in the Democratic Independence Party is inevitable unless the PDNA leadership agrees to compromise.

Turmoil in Labor Party Reviewed

954F3153B Baku ZERKALO in Russian 22 Jul 95 No 27, p 3

[Article by N. Aliyev: "Will Ayaz Mutalibov Become Chairman of the Azerbaijan Labor Party? Political Parties: Rows Continue"]

[FBIS Translated Text] Simultaneously with the exacerbation of relations between different parties and an intensification of the interparty struggle, similar processes have been under way as of late within the political organizations themselves also. Reports of divisions and new formations within several parties have appeared in the past several weeks alone.

The crisis being experienced by the Azerbaijan Democratic Independence Party, in which, following the dismissal of its leader, Gabil Guseynli, from the office of state counselor, several antagonistic groups have formed, stands out primarily, of course. But, as it has transpired, the PDNA [Azerbaijan Democratic Independence Party] is not the only party that is threatened by division.

As we know, the decision was taken last week by its Political Council to disband the Boz Gurd Party (PBG) and to suspend publication of its print organs. The reason given for this decision was the impossibility of the party's continued illegal activity under the conditions of the "intensifying pressure of the authorities." The day following the Political Council's decision, the constituent conference of the new Azerbaijan National Democratic Party, which declared itself "the heir to the ideas and legitimate property of the Boz Gurd Party," took place at a private apartment. Iskender Gamidov, former minister of internal affairs, became chairman of the new political organization, as of the previous one. Inasmuch as he cannot, for the known reasons, act as chairman, his place in this post is being taken by Kerim Shukyurov, senior lecturer at Baku State University.

But here also there was discontent on the part of a number of party members. As your ZERKALO correspondent learned, some activists of the disbanded Boz Gurd Party, while considering, like K. Shukyurov also, the Supreme Court's decision illegal, at the same time disagreed with the creation on the base of the PBG of the National Democratic Party and intend "to revive the party with its former name—Boz Gurd."

But the most interesting events, perhaps, are occurring in the Azerbaijan Labor Party, where a most acute intraparty struggle has developed. The first open signal that the PTA [Azerbaijan Labor Party] was experiencing a crisis was manifested this May. At that time a group of party figures issued a statement accusing the chairman

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of the PTA of arbitrary action, provocations, and splittist activity, and announced the creation of a new faction headed by Ali Sadykhov, deputy chairman of the party.

After this, a harsh intra-party struggle began. Party Chairman Sabutay Gadzhiyev attempted to attract to his side as many members of the PTA Executive Committee as possible in order to issue a statement in response. He did not, by all accounts, succeed, despite the fact even that there were people in the party who supported S. Gadzhiyev.

The latest and most powerful twist of the intra-party struggle was linked with the public meeting devoted to the events of 13-17 March, when National Security Minister Namik Abbasov declared that S. Gadzhiyev had conveyed a message from Ayaz Mutalibov requesting his political rehabilitation. S. Gadzhiyev immediately began to refute the minister of national security's remarks, saying that he had been "authorized by no one to make such statements on behalf of the ex-president of Azerbaijan and that he had had no contacts with him recently." S. Gadzhiyev maintained that he had, indeed, met with the head of the Ministry of National Security, but that the meeting had discussed the question of the unlawful arrest of a PTA activist. "I also insisted that we not be called a pro-Mutalibov party and that the hounding of members of the PTA cease," S. Gadzhiyev said.

Following the exchange of statements between N. Abbas and S. Gadzhiyev, events began to develop with avalanche-like speed. The newspaper AVRASIYA unexpectedly reported that Gadzhi Abdul, deputy of parliament and chairman of the Tovbe Society, who was a founder of the PTA, had joined the Azerbaijan Social Democratic Party. The Information Office of the Organization of Social Democratic Youth of Azerbaijan immediately refuted the paper's report and added that, according to its information, Gadzhi Abdul had become chairman of the PTA in place of S. Gadzhiyev. The report of the OSDMA [Organization of Social Democratic Youth of Azerbaijan] information office evoked a real barrage of protests and refutations of various party figures, in whose remarks the name of G. Abdul was mentioned with increasing frequency.

Meanwhile, on 7 July 1995, at a session of the Labor Party Executive Committee (consisting of 19 persons) 12 members of the PTA Central Executive Committee adopted the resolution "The Political Behavior and Actions of PTA Chairman S. Gadzhiyev." The members of the Executive Committee expressed no confidence in the party chairman and resolved to expel S. Gadzhiyev from the Executive Committee and to suspend the operation of the office of party chairman and form a coordinating committee.

Shortly after this event, Gadzhi Abdul accused PTA Chairman S. Gadzhiyev in an interview with the ANS-PRESS agency of "betraying party principles, defrauding the financially supported members of the party, and of giving away PTA secrets to enemies of this political organization." In addition, he announced that, following "the decision of the party's Executive Committee to expel S. Gadzhiyev from PTA ranks, members of the Yasamalskiy branch of the Association of Baku and the Rural Population have joined the Labor Party en masse," which, in turn, was immediately refuted by M. Akhundov, deputy chairman of this organization.

We asked both sides of the intra-party conflict to comment on the current situation. But, despite repeated attempts, we were unable to meet with Sabutay Gadzhiyev. PTA Deputy Chairman Ali Sadykhov, who in June came to head the new faction, agreed to answer our correspondent's questions.

[Sadykhov] The PTA Rules proclaim as the main principle of party administration that of collegiality. This implied a considerable limitation of the powers of the party chairman, the post of which had acquired purely functional-coordinating significance. Alas, we did not clearly identify the powers of this figure in the party's directive structures, and this played a cruel trick on us. Having become ensconced in the chair of chairman, S. Gadzhiyev, who had initially pretended to be a democratic figure, became transformed. He ignored the supreme directive body—the Executive Committee—as also the Coordinating Council, consisting of those who had taken part in the elaboration of the party ideology directly. The independent activity of the PTA chairman led to the paralysis of party organizing work and the cultivation of an area association-sectarian mood in the local organizations.

It was all this that was the reason for the May statement of the seven members of the Executive Committee. We pointed at that time, incidentally, to other dangerous steps in S. Gadzhiyev's activity also—his constant endeavor to sow discord and distrust among the forces of the left. By his intrigues and his gossip, he destroyed the center-left bloc of forces that had emerged. We saw the solution at that time as open dissociation from S. Gadzhiyev's splittist grouping and the creation of a new center-left faction.

But the frankly ill-intentioned actions of S. Gadzhiyev, who publicly engaged in informing on the party leadership, using the news media, were revealed here. Then came the national security minister's speech at the widely-known public activists' meeting, from whose vantage point the people of the republic were told about S. Gadzhiyev's suspicious contacts with the Ministry of

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National Security. What is most astonishing in this business is that S. Gadzhiyev made no attempt to refute this statement, which is encountered none too often in the practice of the special services and which signified, virtually, the repudiation of an opposition politician.

This turn of events angered even his most ardent supporters, who demanded the immediate removal from the party leadership of S. Gadzhiyev and two of his retainers—I. Agygezalov and N. Aliyev.

We are not disposed to make a tragedy out of the current situation. The PTA will survive this setback.

[ZERKALO] But how can the persistent rumors that Gadzhi Abdul has become chairman of the Labor Party be explained?

[Sadykhov] They came from the fact that a well-known politician with a distinctive public image was a founder of the party and had helped it take shape organizationally. He, the same as all members of the PTA, was incensed at S. Gadzhiyev's behavior. G. Abdul's positions are quite strong in the party ranks. But the question of the chairman of the PTA may be decided by the congress. And it cannot be ruled out that G. Abdul could be nominated at the party forum together with other alternatives.

[ZERKALO] Sabutay Gadzhiyev's response to the statement of the minister of national security of Azerbaijan leads directly to the thought that the PTA is to some extent linked with former ex-president Ayaz Mutalibov. It is rumored that A. Mutalibov could, possibly, be elected chairman of the PTA at the party congress.

[Sadykhov] This is not a PTA problem, but the personal concern of A. Mutalibov. He could, like any citizen of the republic, join any of its more than 40 parties.

[Text] But despite this response of A. Sadykhov, Gadzhi Abdul, chairman of the Tovbe Society and active member of the Azerbaijan Labor Party, had stated somewhat earlier in an interview with the ANS-PRESS agency that Ayaz Mutalibov had been elected an honorary member of the Labor Party....

Nagorno-Karabakh Army Staff Chief Profiled

954F3163A Yerevan RESPUBLIKA ARMENIYA in Russian 18 Aug 95 pp 1-2

[Article by Alvard Barkhudaryan: "Anatoliy Zinevich: 'We Do Not Need Any More Victories'"]

[FBIS Translated Text] "My office and my position in the republic require me every day to think about the fact that the war is not over, that it continues, and that active combat operations could begin at any moment. The main mission of the NKR [Nagorno-Karabakh Republic] Ministry of Defense, my mission, as chief of staff, is to maintain the republic's defense capability and the army's performance capability at the maximum permissible possibilities of the state, people, and equipment. I never say anywhere that the war is over. On the contrary, I repeat continually that it—fearfully difficult—continues even now, only without the bloodshed, without the fire.... There have been no active combat operations along the line of contact for a year and three months now. But the Azerbaijan Army is preparing in earnest, upgrading its combat and field expertise. It has many mercenaries and foreign specialists, who are helping the army to take shape and to equip it and who are preparing for decisive operations.... The euphoria of last year's victories has not turned our heads, fortunately. We understand that the enemy must be respected even when he has been defeated. In any game, and war is a dreadful, wild game, the winner is the one who weighs up all the weak and strong aspects of the foe, plays on this, and secures the victory. It cannot be thought that the enemy is more stupid than oneself, that these are some unorganized squads. What, in this case, would the value of our victories be? High-level foreign visitors once asked me to introduce them to the field commanders.... I told them that Karabakh is not Chechnya, that we do not have field commanders. We are an army, which has a commander, with all the structures under his command. And we are aware that we are fighting an army also."

Major General Anatoliy Zinevich, chief of staff of the NKR Defense Army, has quite an ironic view of journalists in general and those who attempt to talk about the war and the army in particular. "You had already destroyed all that you could, just the army remained. What has this fourth estate not had to say about Pavel Grachev." Nonetheless, journalists, ours and foreign, certainly want to meet with this "strange Russian in Karabakh."

I have observed these meetings on a couple of occasions. A man of subtle humor and an interesting conversationalist who likes poetry and music, he becomes severe in his answers concerning the "Armenians' aggression," return of the so-called "captured territories," and so forth. Anatoliy Vladimirovich came to Karabakh on 3 June 1992 and has been here the whole time since. "The Armenian most devoted to Armenia is Zinevich," he once said of himself.

Vazgen Sarkisyan, minister of defense of Armenia:

"This is, indeed, the case. If you write about this person, do not forget what is most important. He is our teacher—mine, Serzhik's (Serzh Sarkisyan, minister

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of national security of Armenia), Samvel's (Samvel Babayan, minister of defense of the NKR). At the most difficult time, Zinevich stayed in Karabakh. We are obliged to him for a great deal. In 1992, at the start of June, I asked Anatoliy Vladimirovich to come for three days and to take a look at how our boys were fighting. What year is it now? And do you know how many Armenian officers I sent to Karabakh? None of them stayed there more than three days...."

Prior to Karabakh, General Zinevich served in Yerevan, in the Soviet Seventh Army. To the question as to whether he would like to return to Armenia, he replied: "No. I have two roads out of this country—either to Russia or to my motherland."

Anatoliy Vladimirovich's working day begins very early, and it is practically impossible to catch him at headquarters. The geography of a country at war is unlike that of a country at peace. Each hillock here is a defensive line. And he has to make a tour of everything in the day. Sometimes the tanks have not been refueled for some reason or other, sometimes the men have not eaten for two days, someone cracked and ran. "We'll sort it out," the general throws out tersely. What is meant by Zinevich's "sorting out," everyone—from the ordinary soldier to the top ranks, which sometimes forget that an army has to be fed—knows full well. "It only seems that I am a kind person; I am a very severe person." As regards severity, I do not know, but strict in relation to irresponsible people and unsparing in respect to mistakes, yes.

....An armistice on the Karabakh front is being observed for its second year. What are the tasks of the peacetime army?

"The assignment of analyzing the current situation, embarking on the planning of combat operational training, and strengthening army discipline and order was set the very first day following the completion of the combat operations. An army without unity of command is not an army. There must be a chain-of-command pyramid, at the top of which is the minister, and everyone else must tackle these assignments unquestioningly, to the permissible extent. We must adopt a serious approach to an upgrading of combat expertise and strengthen our borders so that everyone be taught not to violate them. I believe that there is much in which we have already been successful. We have practically completed the organizational development of our army. We are now accumulating wisdom, as it were. We need to analyze well the experience of combat operations in past years and the assignments that were accomplished at that time and to analyze blunders and failures particularly closely. We recently conducted exercises, the purpose of which was not only to demonstrate the defense capability, but also the readiness of the Karabakh Army to strike at the enemy's positions, if necessary, at any time. These exercises were a great boost to our understanding of military art and of questions of the combat use of weapons, equipment, and battle-management methods."

A professional soldier with 10 years' experience of active war. Forty-five years in the Armed Forces—without as yet a visible prospect of recreation. Anatoliy Zinevich was born in Ukraine in 1932. His father, an ordinary soldier, went through the entire war from 1939 to 1946. There were two children in the family; his little sister Sveta died during a bombing attack, when she was just three years old. Anatoliy Vladimirovich remembers this day down to the tiniest details. He remembers the first day of the war and Victory Day, for whose 50th anniversary he carefully prepared his army, the NKR Defense Army. On 14 August 1950, Anatoliy Zinevich enrolled at the Proskurov (Far East) Tank School. He subsequently graduated from the Frunze Military Academy and academic courses for higher command personnel of the USSR Armed Forces. He was for almost eight years chief of an operations section of the Armed Forces staff. He served in the Seventh Army in Armenia and in the 40th Army in Afghanistan (together with his son, incidentally). He was a military adviser in Somalia, then in Ethiopia. In 1989 he suffered a second heart attack. He quit the Armed Forces and lived in Armenia. This is now his fourth year in Karabakh. General Zinevich rarely speaks about himself. But increasingly about the men, the commanders, and the army's problems and about what he likes and dislikes in our national character. Karabakh has become accustomed, it seems, to the bluntness of his remarks and the accuracy of his characterizations. "Here in Karabakh, my commander, our army, our president" are not simply words but a sincerely personal attitude toward the country and the people with whom fate has bound him. What, for all that, keeps him in this country, where he has an unsettled life and none of his kinfolk? "I very much want to see a job that has been started through to completion, for in the Soviet Army everything was, at least, organized; in ours, though, everything has had to be started from scratch," he once answered this question.

"Many people consider the military professional killers with a blunted apprehension of death. War in Somalia, Ethiopia, in Afghanistan, the peripeteias of Soviet policy, Karabakh....

"It is impossible to become accustomed to war. I always say that we do not need any more victories, we need peace. The most difficult thing in war is death. It is very frightening to lose a friend, but the knowledge

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that it is you who have sent this person into battle is even more frightening. You have not seen this soldier, but you sent him to accomplish an assignment that you had set. An assignment for which you have to answer.... But he is dead because you did something wrong, you did not think everything through to the end, you reacted wrongly to the actions of the enemy. If you let all this get to you, it becomes simply intolerable.... Our commanders are pained by the loss of personnel. The defense minister and we, his deputies, and the commanders of the defense areas take it very hard also. We understand full well that the loss of any soldier is irreplaceable. But what can we do? It is war. We shoot, they shoot.

"We want to live in peace, with our own people, in our own family, and such that no one dictate his will to us. We are too small a state in terms of population and area, and we have very many complex tasks. The entire people are in the army, and the army is among its people. The army is helping the people, the people are helping the army—to build roads, restore homes, sow grain, and guard their republic.... I am not a mercenary. I am an ordinary soldier. I serve in the Karabakh Army and have no privileges, no rewards. It is very hard, very strenuous for me to perform my duties, both physically and morally. I dream of the day when this war will end, and... I will be out of work, and my friends will say to me: 'Anatoliy Vladimirovich, thank you, our best regards to you. We no longer have any need of your services.' I shall then pick up my rod and go to Sarsang or Sevan....

"I am grateful that my relations with all the people in my line of duty in Karabakh—the defense minister, the army command, the leadership of the republic—the president and the government—are normal and absolutely confidential, without any reticences or innuendoes. This gratifies me enormously and gives me strength to continue the cause for whose sake I have been in Karabakh four years now.

"I took upon myself the responsibility not to help but together with this people to tackle this task that they had set themselves: the creation of their own state and defense of its borders. I will tackle it for as long as I have the strength."

Georgia

Shevardnadze Meets Iranian Parliament Delegation

LD2408162395 Tbilisi SAKINFORM in Russian 1100 GMT 24 Aug 95

[FBIS Translated Text] [No dateline as received] — Georgian head of state Eduard Shevardnadze met a parliamentary delegation from the Islamic Republic of Iran led by Dr. Hasan Fereydun Ruhani, the secretary of the Supreme Council for National Security and chairman of the foreign policy commission. The meeting focused on the current situation in Georgia and prospects for strengthening and expanding cooperation between the two countries.

Shevardnadze Meets Ruhani

LD2408175395 Tehran IRIB Television First Program Network in Persian 1630 GMT 24 Aug 95

[FBIS Translated Text] The deputy Majles speaker [Hasan Ruhani] met Georgian President Shevardnadze in Tblisi today.

At the meeting, Shevardnadze referred to the importance of the Caucasus for regional countries and Europe. He asked the Islamic Republic of Iran to play a more active role to bring about peace and stability in that area.

Referring to the cultural common denominators between the two countries Hasan Ruhani declared our country's preparedness to expand cooperation in all fields.

Ruhani also met and conferred with the Georgian Parliament deputy speaker today.

Delegation Interested in Black Sea Ports

LD2408162795 Tbilisi SAKINFORM in Russian 1100 GMT 24 Aug 95

[FBIS Translated Text] [No dateline as received] — Members of the Iranian parliamentary delegation have visited the towns of Batumi and Poti on the Georgian Black Sea coast. During the tour they were accompanied by Supreme Council Speaker Vakhtang Goguadze. The visitors had a meeting with Aslan Abashidze, the chairman of the Supreme Council of the Autonomous Republic of Ajaria, and senior officials of the local administrations. They went on a sightseeing tour and showed interest in plans for creating a free economic zone in the area. The delegation visited the seaports of Batumi and Poti and expressed certainty in promising cooperation between the two countries in the spheres of trade, tourism, and maritime shipping.

Ruhani Discusses Cooperation Projects

LD2408204495 Tehran IRNA in English 2013 GMT 24 Aug 95

[FBIS Transcribed Text] Tbilisi, Aug 24 (IRNA) — Senior Iranian and Georgian officials here Thursday [24 August] reviewed potential joint projects including one for further development of the Georgian ports of Batumi and Poti on the eastern coast of the Black Sea.

In the meeting Iran's vice-speaker of the Majles (parliament) Hojjat ol-Eslam Hasan Ruhani told Georgian

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President Eduard Shevardnadze that the two Georgian ports could be linked with the Persian Gulf via Iran.

He said in addition to a railroad linking the holy city of Mashhad in the northeastern part of Iran to Tejin in Turkmenistan via the border city of Saraksh, the proposed ports link between the Caucasus and the Persian Gulf, would be an important surface road in the region.

Ruhani is also secretary of the supreme national security council and expressed hope that a regular air route would shortly link Tehran and Tbilisi.

The Georgian president expressed pleasure with what he observed to have been "rapid building of solid bases in relations between the Islamic Republic and Georgia" and expressed hope that the Majles of Iran and the Georgian Parliament would cooperate in the future.

Shevardnadze also reminded that Georgians loved Persian literature which, he said, was sufficient warrant for furthering cultural exchanges between Iran and Georgia.

Throughout history Georgia has had a close cultural relationship with Iran and supplied statesmen and soldiers to the courts in Safavid Isfahan until it was absorbed in the Russian Empire in the late 18th century.

Ruhani Criticizes Actions in Chechnya

LD2408212295 Tehran IRNA in English 1919 GMT 24 Aug 95

[FBIS Transcribed Text] Tbilisi, Aug 24 (IRNA) — Majles vice-speaker of Iran Hojjat ol-Eslam Hasan Ruhani, in an interview with press reporters here Thursday [24 August] expressed hope that Moscow would find peaceful solutions to the crisis in Chechnya.

He said Russia's military attack on the oil-rich Caucasus republic was unnecessary and could have been prevented if Moscow had exploited better tools for solving that problem.

Asked to comment on the situation in the Balkans, the visiting Iranian official said Bosnians had been unfairly aggressed upon. He added that a basic foreign policy dictum of Iran was its insistence on fighting off aggression.

He said that as a member of the United Nations, the territorial integrity of Bosnia-Herzegovina had to be respected by the international community.

The Iranian official deplored the inaction of the united nations for preventing hostilities against Bosnians, adding that lifting the arms embargo on Bosnia is the only possible solution to the current situation in the Balkans.

Ruhani left Tbilisi for Ashgabat, Turkmenistan Thursday afternoon.

Supreme Council Adopts New Constitution

LD2408152295 Tbilisi IPRINDA in Russian 1410 GMT 24 Aug 95

[FBIS Translated Text] Tbilisi, 24 Aug — The Georgian parliament, after weeks of debating, adopted the new Constitution of the Republic of Georgia on 24 August at 1800 hours. There were 159 votes for the constitution and eight against. Altogether 167 deputies participated in the final voting (112 deputies constitute the quorum).

Addressing the parliament, Georgian Head of State Eduard Shevardnadze said that the day of adopting the constitution would be regarded as a historic day for Georgia, and the new constitution would become a guarantor of the unity, development, and well-being of all the citizens of Georgia. The adoption of the constitution lays a basis for the well-being of every family and consequently a foundation for a new economic system.

Eduard Shevardnadze called on everyone, the deputies of the parliament in the first instance, to go to the Palace of Youth (nearby the parliament building) to write their signatures under the constitution and raise a glass of champagne celebrating the adoption of a document of great importance for the country.

Shevardnadze: Georgia Will Be Built as Federation

LD2408170895 Moscow ITAR-TASS in English 1434 GMT 24 Aug 95

[By Tengiz Pachkoriya]

[FBIS Transcribed Text] Tbilisi, August 24 (ITAR-TASS) — Georgian leader Eduard Shevardnadze said on Thursday [24 August] that Georgia would be built on federation principles, despite any protests by Abkhazian secessionists. He made this statement at a Georgian parliament session thus responding to a decision by Abkhazian lawmakers who protested against the federation with Georgia on August 22.

Shevardnadze said: "Although Abkhazian secessionists have broken off a process of talks, although they once again protested against the establishment of a federative state, against granting Abkhazia a relevant status ... the principles of federative relations, the concept of federalism is and will be the basis for Georgia's territorial and state system."

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Estonia

Further on German Defense Minister's Visit

Ruehe Differences With Kinkel Noted

LD2408133295 Tallinn Radio Tallinn Network in Estonian 1200 GMT 24 Aug 95

[FBIS Translated Excerpt] German Defense Minister Volker Ruehe has been visiting Estonia. Over to Piret Kriivan.

[Kriivan] The central subject during the German defense minister's meetings in Estonia has been the Baltic states' opportunities to integrate into Europe. Inasmuch as Germany is acting as a seconder for Estonia's NATO membership, the meetings discussed NATO's expansion first and foremost. Defense Minister Andrus Oovel emphasized Estonia's firm wish to become a full member of NATO. [passage omitted]

Immediately prior to Ruehe's Baltic tour, speculations surfaced in the Western press about NATO's expansion schedule. It was claimed that the Baltic states will be the last to become NATO members. Ruehe stated today once again that any schedule would amount to mere journalistic fiction. Ruehe stated that the NATO report on the expansion of the organization and on why and how this should be carried out, due to be published in the next few days, does not say a word about any expansion schedule.

At the same time, Ruehe has stated previously, at the beginning of his Baltic tour and in his speech in Visby in June, that unlike Poland, the Baltic states cannot count on becoming NATO members before the end of the millennium. In yesterday's FRANKFURTER ALLGEMEINE, German Foreign Minister Klaus Kinkel disagrees with the defense minister's position. Kinkel states that any security structure in the Baltic Sea region must not be shaped at the expense of the Baltic states. [passage omitted]

Defense Minister Ruehe stated today that he was representing the government's view.

[Begin Ruehe recording, in German fading into Estonian report] The European Union and NATO must be opened step by step. At the moment no firm decisions exist as to who will be involved in this process and when it will occur. Ruehe thinks that he succeeded in explaining in Estonia that different intermediate stages require greater patience. In other words, NATO has not set any preferences and has no intention of publishing any in the near future. [end recording]

Ruehe Talks With Meri, Oovel; Leaves

LD2408162095 Tallinn Radio Tallinn Network in Estonian 1100 GMT 24 Aug 95

[FBIS Translated Excerpt] President Lennart Meri and Defense Minister Andrus Oovel are satisfied with the military cooperation with Germany, and stated so to German Defense Minister Volker Ruehe, who is visiting Estonia. Thanks to Germany's support, Estonia can successfully take part in the events and exercises taking place within the framework of NATO's Partnership for Peace program, and bring its armed forces in line with NATO standards. This is what Oovel noted today to journalists after his meeting with Volker Ruehe.

The Estonian defense minister emphasized that the opportunities to train Estonian officers and officials in Germany have contributed toward a democratic development and command of the defense forces. Technical assistance and military equipment received from Germany have stregthened Estonia's defense capability.

Concluding his visit, Volker Ruehe noted that Estonia's return to Europe has begun, and is certain to continue. Estonia's development is considerably more vigorous than that of Russia, Ruehe noted. [passage omitted]

Volker Ruehe left Tallinn at 1230 today.

Latvia

Shortage of Funds Threatens Participation in NATO Program

LD2408150695 Riga Radio Riga Network in Latvian 1300 GMT 24 Aug 95

[FBIS Translated Text] As is known, the shortage of funds has affected all sectors. Janis Davidovics, state secretary at the Ministry of Defense, told a news conference held at the ministry today that a critical moment has come when the defense forces are no longer able to survive because of financial difficulties. Latvian troops will no longer be able to fully participate in the NATO Partnership for Peace program because the government has not granted money for this program at all, and so far it has been financed from the Defense Ministry's budget. Latvia will also be unable to fully participate in the setting up of the Baltic battalion. It will also be necessary to reduce by 20 percent the number of soldiers undergoing compulsory service in the National Armed Forces. The fate of the autumn call-up is completely unclear as well.

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